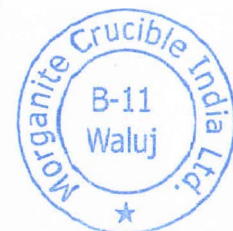


**Morganite Crucible (India) Limited**  
CIN Number - L26920MH1986PLC038607

Registered Office: B-11, MIDC Industrial Area, Waluj, Aurangabad 431 136  
Website : www.morganmms.com | Contact Details : +91 240 6652502, 6652520, 6652523  
Statement of financial results for the quarter and year ended 31 March 2022

(₹ In lakhs)

Particulars	Quarter ended			Yearended	
	March 31, 2022	Dec 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
	Unaudited	Unaudited	Unaudited	Audited	Audited
1. Revenue from operations	4,063.44	4,135.74	3,463.66	15,235.25	10,685.52
2. Other income	1,132.29	1,624.71	0.67	2,896.33	408.79
3. Total income (1+2)	5,195.73	5,760.45	3,464.33	18,131.58	11,094.31
4. Expenses					
(a) Cost of materials consumed	1,821.43	1,690.16	1,056.92	6,094.03	3,931.90
(b) Purchases of stock-in-trade	-	67.30	164.74	295.45	391.31
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(11.90)	(73.44)	(4.58)	(296.93)	192.22
(d) Employee benefits expense	484.53	451.51	403.31	1,774.75	1,553.61
(e) Finance cost	-	-	-	-	-
(f) Depreciation and amortization expense	183.59	209.21	138.91	740.26	565.83
(g) Other expenses	1,295.05	1,013.43	1,385.51	4,386.02	3,405.76
(h) Closure and Relocation expenses relating to Mehsana Plant (Refer note 4)	-	-	(3.66)	-	160.04
Total expenses	3,772.70	3,358.17	3,141.15	12,993.58	10,200.67
5. Profit/(Loss) before tax (3 - 4)	1,423.03	2,402.28	323.18	5,138.00	893.64
6. Exceptional Items (Refer note 5)	-	-	-	(310.00)	310.00
7. Profit after exceptional items and before tax (5 - 6)	1,423.03	2,402.28	323.18	5,448.00	583.64
8. Tax expense					
- Current tax (Refer note 6)	66.75	575.51	(42.96)	1,049.33	763.83
- Deferred tax	32.42	10.20	(1.22)	59.33	(86.73)
Total Tax Expense	99.17	585.71	(44.18)	1,108.66	677.10
9. Profit/(Loss) for the period/year (7-8)	1,323.86	1,816.57	367.36	4,339.34	(93.46)
10. Other comprehensive gain/(loss) for the period/year - Items that will not be reclassified subsequently to profit or loss (net of tax)	30.56	(4.18)	(44.91)	23.40	2.82
11. Total comprehensive income/(loss) for the period/year (9-10)	1,354.42	1,812.39	322.45	4,362.74	(90.64)
12. Paid-up equity share capital (Face value per share ₹ 5)	280.00	280.00	280.00	280.00	280.00
13. Other equity excluding revaluation reserves as per balance sheet				11,975.47	9,963.77
14. Earnings Per Share (EPS) (₹)					
(a) Basic EPS	23.64	32.44	6.56	77.49	(1.67)
(b) Diluted EPS	23.64	32.44	6.56	77.49	(1.67)



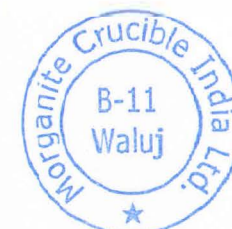
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Part 2: Statement of assets and liabilities

Particulars	₹ In lakhs	
	As At 31-Mar-22 (Audited)	As At 31-Mar-21 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,622.47	2,856.72
Capital work-in-progress	1,470.86	2,153.19
Right to use asset	10.52	10.70
Goodwill	137.81	137.81
Other intangible assets	15.84	19.17
Financial assets		
a) Other financial assets	36.24	39.76
Deferred tax asset (net)	98.15	156.53
Income tax assets (net)	255.40	203.10
Other non-current assets	38.09	5.47
<b>Total Non-current assets (A)</b>	<b>5,685.38</b>	<b>5,582.45</b>
<b>Current assets</b>		
Inventories	2,270.89	1,771.80
Financial assets		
a) Trade receivables	3,126.32	2,229.13
b) Cash and cash equivalents	3,582.09	3,564.08
c) Other balances with banks	42.29	132.36
d) Loans	4.35	10.12
e) Other financial assets	1.84	34.50
Other current assets	778.49	491.87
Non current assets held for sale (Refer Note 4)	-	101.32
<b>Total Current assets (B)</b>	<b>9,806.27</b>	<b>8,335.18</b>
<b>Total assets (A+B)</b>	<b>15,491.65</b>	<b>13,917.63</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital	280.00	280.00
Other equity	11,975.47	9,963.77
<b>Total equity (C)</b>	<b>12,255.47</b>	<b>10,243.77</b>
<b>Current liabilities</b>		
Financial liabilities		
a) Trade payables		
(i) dues of micro enterprises and small enterprises	352.55	192.97
(ii) dues of creditors other than micro enterprises and small enterprises	2,224.59	2,012.69
b) Other financial liabilities	204.00	493.97
Other current liabilities	111.59	441.75
Provisions	335.92	281.77
Income tax liabilities (net)	7.53	250.71
<b>Total Current liabilities (D)</b>	<b>3,236.18</b>	<b>3,673.86</b>
<b>Total liabilities (D)</b>	<b>3,236.18</b>	<b>3,673.86</b>
<b>Total - equity and liabilities (C+D)</b>	<b>15,491.65</b>	<b>13,917.63</b>



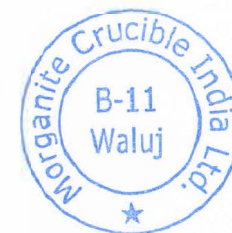
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Morganite Crucible (India) Limited  
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Statement of financial results for the quarter and year ended 31 March 2022

Part 3: Cashflow statement

Particulars	Year ended	
	31-Mar-22	31-Mar-21
	(Audited)	(Audited)
<b>A) Cash flow from operating activities</b>		
Profit before tax	5,448.00	583.64
<b>Adjustments for :</b>		
Interest income	(4.63)	(11.47)
(Gain)/ Loss on account of foreign currency transactions and translation	34.03	(25.71)
Depreciation and amortization expense	740.26	565.83
Gain on sale of property, plant and equipment	(811.18)	(3.13)
Provision for doubtful receivables	(61.17)	24.61
	(102.69)	550.13
<b>Changes in working capital :</b>		
Inventories	(499.09)	383.97
Trade receivables	(979.05)	87.79
Loans, other financial assets and other assets	(259.35)	264.03
Trade payables, other financial liabilities, other liabilities and provisions	287.18	494.26
<b>Cash generated from operating activities</b>	<b>3,895.00</b>	<b>2,363.82</b>
Income taxes paid (net)	(1,344.81)	(442.24)
<b>Net cash flows generated from operating activities (A)</b>	<b>2,550.19</b>	<b>1,921.58</b>
<b>B) Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets (including movement in capital work in progress and capital advances)	(1,010.06)	(690.11)
Proceeds from sale of property, plant and equipment	916.28	46.92
Investment in bank deposits	(144.05)	(1,029.01)
Maturity of bank deposits	58.98	913.93
Interest received	4.63	11.47
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>(174.22)</b>	<b>(746.80)</b>
<b>C) Cash flows from financing activities</b>		
Payment of dividend (including Dividend Distribution Tax thereon)	(2,368.91)	(444.57)
<b>Net cash (used in) financing activities (C)</b>	<b>(2,368.91)</b>	<b>(444.57)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>7.06</b>	<b>730.22</b>
<b>Effect of exchange differences on cash and cash equivalents held in foreign currency</b>	<b>10.95</b>	<b>12.27</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>3,564.08</b>	<b>2,821.60</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>3,582.09</b>	<b>3,564.08</b>
<b>Components of cash and cash equivalents</b>		
Cash and cash equivalents comprises of:		
Cash on hand	0.13	0.28
Bank balances		
- in current accounts	2,730.00	3,202.71
- Export Earner's Foreign Currency account	741.94	302.92
- in deposits accounts (with original maturity of 3 months or less)	110.02	58.17
<b>Total cash and cash equivalents at the end of the year</b>	<b>3,582.09</b>	<b>3,564.08</b>



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**Morganite Crucible (India) Limited**  
**CIN number - L26920MH1986PLC038607**  
Registered Office: B-11, MIDC Industrial Area, Waluj, Aurangabad 431136  
**Notes to Statement of financial results for the quarter and year ended 31 March 2022**

**Notes**

1. The above results for the quarter and year ended 31 March 2022 have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on 25 May 2022. These financial results have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 specified under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
2. The Statutory Auditors of the Company have conducted audit of the annual financial results and review of quarterly financial results of the Company for the year/quarter ended 31 March 2022.
3. The Company recognizes its sale of crucibles activity as its only primary business segment since its operations predominantly consist of manufacture and sale of crucibles to its customers. The 'Chief Operating Decision Maker' monitors the operating results of the Company's business as single segment. Accordingly in context of Ind AS 108 "Operating Segments" the principle business of the Company constitute a single reportable segment.
4. During the previous year ended 31 March 2021, the management had identified the potential buyer for sale of Land and Building of Mehsana Plant. The management had entered into an "Memorandum of Understanding" (MOU) dated 12 February 2021 for sale of land and building.

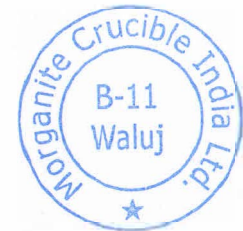
With effect from May 21 production activities have been stopped at Mehsana plant, all assets has been transferred from Mehsana to Aurangabad plant. The Company has sold the land and building of Mehsana Plant on November 11, 2021 and subsequently submitted the application before GIDC for effecting the transfer of the property. The GIDC vide its Officer Order dated 04 December 2021 had approved the transfer of property in the name of Buyer and accordingly the possession of the property is handed over to the Buyer effective from December 06, 2021.

5. During the previous financial year 2020-21, the Company had initiated the discussions with the workers for the voluntary retirement scheme (VRS) as per the approval of Board of Directors of the Company in their meeting held on 10 February 2021. The Company had considered a provision of ₹ 310 lakh as exceptional item in the financial results for the year ended 31 March 2021. The management had appealed the worker to avail the benefits of this scheme and had series of discussions with them. However, none of the worker accepted the VRS, hence the entire provision of ₹ 310 lakh has been reversed and disclosed as an exceptional item in the quarter ended 30 June 2021.
6. The Company has 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 2021-22 and interim quarters is calculated based on the APA agreement signed on 18th August 2021 for 5 years ended 31 March 2021. During the current year the Company has assessed and provided for additional tax liability of ₹ 125.02 lakhs for short provision in respect of earlier years based on the in-principle approval received from the APA commissioner.
7. The Board of Directors has recommended a final dividend of Rs. 12/- per share on face value of Rs.5/- per share, subject to approval of shareholders in their ensuing 37th Annual General meeting.
8. 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.
9. The Financial Results have been made available to the Stock Exchange where the Company's securities are listed and are posted on the Company's website ([www.morganmms.com](http://www.morganmms.com)).

For MORGANITE CRUCIBLE (INDIA) LIMITED

  
Aniruddha Karve  
Director  
DIN : 07180005

Place: Aurangabad, India  
Date : 25 May 2022





## 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 March 31, 2022, 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 then ended, and a summary of significant 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, 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 specified under section 143(10) of the Act (SAs). 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 judgement, 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.



## **Deloitte Haskins & Sells LLP**

- 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 Management's Responsibility 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 Ind AS and other accounting principles generally accepted in India. 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 judgements 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 statement 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 is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibility for the Audit of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also



## **Deloitte Haskins & Sells LLP**

responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 control that we identify during our audit.

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

### **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.
- 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 March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.





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- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) 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.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 it's 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 or entity, 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 it's knowledge and belief, no funds have been received by the Company from any person or entity, 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)
    - (a) 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 Companies Act 2013.

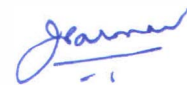




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- (b) As stated in note 18 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
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: 22106388AJOIRT4391

Aurangabad, May 25, 2022

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

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

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Morganite Crucible (India) Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 respective 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 over financial reporting 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. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets



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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 Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting 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: 22106388AJORT4391

Aurangabad, May 25, 2022

**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 Company has a program of verification of Property, Plant and Equipment (Capital work-in-progress and relevant details of right-of-use assets) so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, no such assets were due for physical verification during the year. Since no physical verification of property, plant and equipment was due during the year the question of reporting on material discrepancies noted on verification does not arise.
- (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, capital work-in progress and investment property and non-current assets held for sale) 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 (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 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, duty of Custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

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 March 31, 2022 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 March 31, 2022 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)
Finance Act, 1994	Service Tax	Central Excise and Service Tax Appellate Tribunal	April 2013 to August 2015	26.04	-
Gujrat Value Added Tax Act, 2003	Value Added Tax	Assistant Commissioner of Sales Tax	2001-02 to 2005-06	84.98	-

- (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.

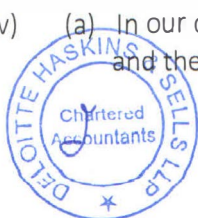


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- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (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) There has been instance of fraud on the Company by its employee amounting to ₹ 42.44 Lakhs as indicated in Note 45 to the financial statements. No fraud by the Company has been noticed or reported during the year, nor have we been informed of any such case by the Management.

Nature of fraud	By Whom	Amount (₹ in lakhs)
Alleged mis-direction by the Company's employee in respect of tooling purchase transactions during the period April 01, 2016 to October 15, 2021	Employee of the Company	42.44

- (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 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.



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- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (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) 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 (xx) of the Order is not applicable for the year.

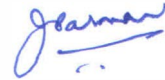


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- (b) In respect of ongoing projects, the Company has not transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account within a period of 30 days from the end of the financial year in compliance with section 135(6) of the Act. The amount of Rs. 25.20 lakhs transferred after the due date i.e. 30 April 2021 for the financial year 2020-21.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



Jayesh Parmar  
(Partner)  
(Membership No. 106388)

UDIN: 22106388AJORT4391

Aurangabad, May 25, 2022



## INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF MORGANITE CRUCIBLE (INDIA) LIMITED

#### Opinion and Conclusion

We have (a) audited the Financial Results for the year ended March 31, 2022 and (b) reviewed the Financial Results for the quarter ended March 31, 2022 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Financial Results for the Quarter and Year Ended March 31, 2022" of MORGANITE CRUCIBLE (INDIA) LIMITED ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

#### (a) Opinion on Annual Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results for the year ended March 31, 2022:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

#### (b) Conclusion on Unaudited Financial Results for the quarter ended March 31, 2022

With respect to the Financial Results for the quarter ended March 31, 2022, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Financial Results for the quarter ended March 31, 2022, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



**Basis for Opinion on the Audited Financial Results for the year ended March 31, 2022**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results for the year ended March 31, 2022 under the provisions of the Act and the Rules 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.

**Management's Responsibilities for the Statement**

This Statement which includes the Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Financial Results for the year ended March 31, 2022 has been compiled from the related audited financial statements. This responsibility includes the preparation and presentation of the Financial Results for the quarter and year ended March 31, 2022 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the 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 Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are 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 intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's Responsibilities**

**(a) Audit of the Financial Results for the year ended March 31, 2022**

Our objectives are to obtain reasonable assurance about whether the Financial Results for the year ended March 31, 2022 as a whole is 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 this Financial Results.



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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 Annual Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' 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 ability of the Company 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 Statement 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 Annual Financial Results, including the disclosures, and whether the Annual Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Financial Results of the Company to express an opinion on the Annual Financial Results.

Materiality is the magnitude of misstatements in the Annual Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Financial Results 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 Annual Financial Results.

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

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



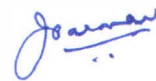
**(b) Review of the Financial Results for the quarter ended March 31, 2022**

We conducted our review of the Financial Results for the quarter ended March 31, 2022 in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with SAs specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Other Matters**

The Statement includes the results for the Quarter ended March 31, 2022 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

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



Jayesh Parmar  
Partner  
(Membership No. 106388)  
UDIN: 22106388AJOBJK2796

Aurangabad, May 25, 2022