



ANNUAL REPORT AND ACCOUNTS 2010-2011



MORGANITE CRUCIBLE (INDIA) LTD.



MORGANITE CRUCIBLE (INDIA) LIMITED**26TH ANNUAL REPORT 2010-11****BOARD OF DIRECTORS :**

Mr. John A. D. Maxwell	Chairman (up to 15 th June 2011)
Mr. Vijay S. D. Sabarwal	CEO/ Whole time Director (up to 29 th January 2011)
Mr. Didier Francois Finck	Director
Mr. Stuart Alan Cox	Director
Mr. Hitesh Saiwal	Director / Country Manager (from 1 st Feb 2011)
Mr. Sadanand Vasant Shabde	Independent Director
Mr. H. S. Shirsat	Independent Director (from 28 th Dec 2010)

COMPANY SECRETARY :

Mr. Anurag Geete

AUDITORS' OF THE COMPANY:

BSR & Co.,
Chartered Accountants, Mumbai.

BANKERS :

Axis Bank Ltd.
The Hongkong and Shanghai Banking Corporation Ltd.

REGISTERED OFFICE AND FACTORY :

B-11 MIDC Industrial Area
Waluj,
Dist - Aurangabad – 431 136
Maharashtra. India.

INTERNAL AUDITOR :

Price waterhouse & Co. Chartered Accountants, Mumbai

Registrar & Share Transfer Agent:

SHAREPRO SERVICES (INDIA) PVT. LTD.
Samhita Warehousing Complex,
13 AB, Gala No. 52, 2nd Floor,
Near Sakinaka Telephone Exchange,
Of. Kurla, Andheri Road, Sakinaka,
Mumbai – 400 072T - +91 22 67720300
Dir. +91 22 67720309

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NOTICE TO THE MEMBERS

NOTICE is hereby given that the 26TH ANNUAL GENERAL MEETING of the Shareholders of MORGANITE CRUCIBLE (INDIA) LIMITED will be held on Wednesday, September 28, 2011 at 11:00 am at the Registered Office of the Company at: B-11 MIDC Industrial Area Waluj, Dist - Aurangabad – 431 136, Maharashtra. India, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report and the Audited Profit and Loss Account of the Company for the year ended on March 31, 2011 and the Balance Sheet of the Company as on that date along with Auditor's Report.
2. To appoint a Director in place of Mr. Sadanand Vasant Shabde, who retires by rotation and, being eligible, offers himself for re appointment.
3. To appoint a Director in place of Mr. Stuart Cox, who retires by rotation and, being eligible, offers himself for re appointment.
4. To Reappoint M/s BSR & Co. as Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

5. To confirm appointment of Mr. H S Shirsat who was appointed as additional director by the board and being eligible offer himself for reappointment. To pass following resolution with or without modification;
RESOLVED THAT H S Shirsat be and is hereby appointed as Independent Directors of the Company effective from the date of his appointment as additional director by board on payment of sitting fees within maximum permissible limits.
6. To confirm appointment of Mr. Hitesh Saiwal who was appointed as additional director by the board and being eligible offer himself for reappointment.
RESOLVED THAT Hitesh Saiwal be and is hereby appointed as Whole Time Directors of the Company effective from the date of his appointment as additional director by board on remuneration as per below;

Basic pay	90000
HRA - 40% of Basic	36000
Conveyance 800 / month	800
Education allowance 200/month	200
Special Allownce	88175
TOTAL PM	215175
EPF (12% of basic)	10800
Superannuation (15% of basic)	13500
Reimb.of Car Exp.	10000
Driver	8000
Meal coupon	2200
Medical Reimb.	1250
LTA	11250
Variable Pay	27000
total Monthly CTC	299175
GROSS SALARY Annual	3590100
Annual Perquisiits	
meal coupon u/s 17(2)	26400
car allowance / reimbursement	216000

Above limits is within schedule XIII of the companies act 1956 and does not require central government approval.

RESOLVED FURTHER THAT Mr. Anurag Geete be and is hereby authorised to intimate wherever necessary as per legal requirements.

Registered Office:
B-11 MIDC Industrial Area Waluj,
Dist - Aurangabad – 431 136,
Maharashtra. India
Date: 12th Aug 2011

By Order of the Board,

Hitesh Saiwal
Director

Morganite Crucible (India) Limited

NOTES:

1. A member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of him/her on a poll only and such proxy need not be a member. The proxies in order to be effective should be deposited at the registered office of the company not later than 48 hours before the meeting.
2. An explanatory statement pursuant to section 173(2) of the Companies Act 1956 in respect of the business at item No. 5 to 6 above is annexed.
3. The register of members and the share transfer books of the Company will remain closed from September 26, 2011 to September 28, 2011 (both days inclusive)
4. In term of section 205C of the Companies Act 1956, all sums transferred to unpaid dividend account towards dividend for the financial year 2004-2005 and which remain unpaid or unclaimed will be transferred to the Investor Education & Protection fund of the Central Government on or after 6 June 2011 respectively. As such, the Members who have not encashed dividend warrant(s) for the aforesaid financial year are requested to make their claim with the Company's Registrars and Transfer Agent or with the Company. The members may note that no claim shall lie in respect of such dividend, once the amount is transferred by the Company to the Investors Education and Protection Fund.

Registered Office:

B-11 MIDC Industrial Area Waluj,
Dist - Aurangabad – 431 136,
Maharashtra. India

By Order of the Board,

Hitesh Saiwal
Director

Date: 12th Aug 2011

MORGANITE CRUCIBLE (INDIA) LIMITED

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

ATTENDANCE SLIP

Twenty Sixth Annual General Meeting on September

Regd. Folio No. / DPID / CLIENT ID

Name of Shareholder;

I Certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the **TWENTY SIXTH ANNUAL GENERAL MEETING** of the Company held on Wednesday 28 Sept. 2011 at 11.00 am at B-11, MIDC, Industrial Area, Waluj- 431 136, Dist. - Aurangabad.

Proxy's name in Block Letters

Member's / Proxy's Signature

Notes :

1. Shareholders/Proxy holders are requested to bring the attendance slips with them when they come to the Meeting and hand them over at the entrance after affixing their signatures on them.
2. Shareholders are requested to bring their copy of the Annual Report along with them to the Annual General Meeting, as copies of the Report will NOT be distributed again at the Meeting in view of the high cost of the Annual Report.



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MORGANITE CRUCIBLE (INDIA) LIMITED

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

PROXY

Reg. Folio No./DPID /CLIENT ID

No. of Shares

I/We

ofin the district of

being a member / members of the above named Company hereby appoint

.....

..... of

in the district of or failing himof

.....in the district of

as my/our proxy to vote for me/us on my /our behalf at the **TWENTY SIXTH ANNUAL GENERAL MEETING** of the Company to be held on Wednesday 28 Sept. 2011 at 11.00 am at B-11, MIDC, Industrial Area, Waluj - 431 136, Dist. - Aurangabad. and at any adjournment thereof.

Signed this2011

Please affix
30 p.
Revenue
Stamp Here

Signature

Note :

The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Company's Registered Office, not less than 48 hours before the time for holding the meeting. The proxy need not be a Member of the Company.

ANNXURE TO THE NOTICE

Explanatory Statement

Pursuant to Section 173 (2) of the Companies Act 1956 in respect of item no. 5 to 6 of the accompanying notice dated Aug 12, 2011.

Item No. 5

The Company proposes to appoint Mr. Haushiram Shankarrao Shirsat as an Independent Director

Mr. Haushiram Shankarrao Shirsat aged 61 is a retired joint Commissioner, Central Excise and Custom (IRS), having overall department experience of 37 years.

During his tenure he has served to various important offices of Central Excise and Custom department and having experience of handling many Indirect taxation matters. This move of the Management shows the commitment to better corporate governance in the Company and also a step towards implementation of Corporate Governance norms as issued by SEBI. Mr. Shirsat shall be paid only sitting fees within limits of The Companies Act 1956.

None of the other directors are interested in this resolution.

The Directors recommend the resolution for the approval of members.

Item No. 6

Mr. Hitesh Saiwal aged 37 is a Fellow Chartered accountant and Qualified Company Secretary having rich experience of more than 12 years in various areas such as Indian GAAP reporting, Direct and Indirect Taxation, Treasury, Business valuation, Internal control process implementation, Company Secretarial formalities and work. During his previous employment he has acquired expertise in diverse fields such as ERP implementation, Process Automation, Advance Financial Reporting, developing financial strategies and Internal Control Strategies, Project Planning and implementation, Thorough Knowledge of various Indian Laws Also having Direct experience in setting up of Die-Casting Plant from green field to commercial production and formalities related to it.

Mr. Saiwal is proposed to be appointed as whole time director of the company with effect from 1st Feb 2011 on following remuneration.

None of the directors is interested in this resolution.

The Directors recommend the resolution for the approval of members.

Morganite Crucible (India) Limited

DIRECTORS' REPORT

The Members,

Your Directors present the 26th Annual Report together with the Audited Statement of Accounts of the Company for the period ended on March 31, 2011.

1. FINANCIAL RESULT:

Particulars	(Rs. In Lacs)	
	Year Ended 31st March 2011	Year Ended 31st March 2010
Profit before Interest, Depreciation and Taxation	1364.96	1408.69
Less: Interest	75.97	116.96
Less: Depreciation	346.97	317.33
Profit for the year before taxation	942.02	974.41
Less: Provision for Taxation		
- Current Tax	384.48	395.43
- Deferred Tax	62.65	(103.09)
- Fringe Benefits Tax	-	-
Profit After Tax	494.89	682.07
Profit brought forward from the Previous Year	1419.32	737.25
Profit carried to Balance Sheet	1914.21	1419.32

2. DIVIDEND:

With a view to conserve the resources, your Directors regret their inability to recommend dividend on Equity shares of the Company.

3. OPERATIONS

During the financial year, the turnover was Rs. 69.03 Crores as compared to Rs. 54.88 Crores.

During the current year the Company has completed and capitalized in its books the expansion/modernisation of its plant to Rs. 284.18 Lacs. The Company has also started diversifying activities such as trading and manufacturing of Foundry Consumables and refractory materials for which company has started first phase of testing and development foundry lubricant i.e. Die lube. We are expecting to accelerate this are in the coming years.

4. PUBLIC DEPOSIT:

The Company has not invited deposit from the public during the year under report.

5. CAPITAL :

Company's paid up capital stood at Rs. 2.8 Crores as on 31st March 2011. There is no change took place during the year under review.

6. STATUTORY DISCLOSURES

None of the Directors of your Company is disqualified as per the provision of Section 274(1) (g) of The Companies Act 1956. Your Directors have made necessary disclosures, as required under various provisions of the Act.

The information given under Section 217(1)(e) of the Companies Act 1956 to be read with The Companies (Disclosures of Particulars in the report of the Board of Directors) Rules 1988 as amended is enclosed as Annexure 'A'

In terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, None of the employees are getting salary above the specified limits hence not discloses here. However, Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

7. AUDITORS:

The Company's Auditors M/s BSR & Co. to retire at the ensuing Annual General Meeting and being eligible have offered themselves for reappointment as statutory auditor. The notes of the Auditors and other notes on accounts are also self-explanatory.

8. DIRECTORS:

Two of your Directors namely Mr. Sadanand V Shabde and Mr. Stuart Cox retire by rotation in terms of the Articles of Association of the Company. They, being eligible, have offered themselves for reappointment.

9. FUTURE OUTLOOK

With the optimistic growth of the Indian economy the demand for the Company's product is expected to pick up. Further with the agreement for providing services the company would get technical knowhow from the parent company and is therefore expected to improve the quality of the product significantly. The Directors are reasonably confident that with these changes the performance of the Company would improve barring unforeseen circumstances. Considering the same fact your company has entered into an agreement with The Morgan Crucible Company Plc UK for providing management services in the area of planning, sales, accounts, HR policies and various other commercial aspects. The benefit is seen in the year under review. Your Directors have also executed an agreement with The Morgan Crucible Company Plc UK for use of trade mark logo and GBU charges.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) that 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 31st March, 2011 being end of the financial year 2010-11 and of the profit of the Company for the year;
- (iii) that the Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

11. Risk Management:

The Company's properties continued to be adequately insured against risks such as fires, riots etc.

12. Corporate Governance

A report on Corporate Governance has been provided as separate part of this report. Management Discussion and Analysis Report is attached and forming part of Annual Report.

13. Subsidiary Company Accounts

Ministry of Corporate Affairs vide their General Circular no. 2/2011 dated 08.02.2011 given general exemption to companies under section 212 from attaching subsidiaries accounts with holding company's balance sheet however consolidated accounts are provided with this report and annual accounts of the subsidiary companies and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time and also it will be available at the head office of the company and will be open for inspection on demand during office hours.

14. ACKNOWLEDGEMENT:

Your directors take this opportunity to offer their sincere thanks to various Departments of the Central and State Governments, our Bankers, Share holders, Customers, employees & consultants for their unstinted support and assistance.

For and on behalf of the Board,

Place: Aurangabad
Date: 12th Aug 2011

Hitesh Saiwal
Director

Sadanand V. Shabde
Director