

WE SHAPE THE WORLD

Through efficient melting solutions
using advanced material science
and engineering



Forward-looking statements

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 fully 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 as a result of new information, future events or otherwise.

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www.morganmms.com

Every day, with all our energy, we develop products by leveraging our advanced materials, science and engineering expertise. We are a trusted partner who understands the key roles that our technology, our expertise, our infrastructure, and our assets play in creating world-class products and solutions for our customers.

There is a growing realisation that we need to find new, innovative ways to achieve sustainable value creation and growth, while protecting and conserving our natural ecosystems. At Morganite, we are doing so with a focus on ensuring our customers' success and creating a thriving world - a better tomorrow than today.

By partnering and innovating with our scientists and customers, we develop products that help optimise the use of natural resources and reduce our environmental footprint. Our engineered crucible expertise combined with our strong technical capabilities enables us to do so. And, that is how we contribute towards shaping a sustainable and environment-friendly world for the benefit of all.

Our overall objective is to grow our business safely, sustainably, and responsibly for improving the quality of life of our present and future generations, while staying attuned to the demands and expectations of the rapidly changing world.



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ABOUT US

Who we are

Morganite Crucible (India) Limited is a subsidiary of Morgan Advanced Materials Plc, a UK-based group, and is a leading manufacturer of high-performance crucibles, foundry consumables, and allied refractory products.

We are part of the Molten Metal Systems (MMS) Division and specialise in providing melting solutions to foundries, die-casters, and metal melting facilities covering applications including zinc, precious metals, aluminium, copper, brass, and other non-ferrous metals.

Molten Metal Systems is recognised as a technology leader, providing crucibles and engineered consumables to the metals industry. Our extensive knowledge and applications enable Molten Metal Systems to quickly respond to customer needs worldwide.

What we do

We produce world-class silicon carbide crucibles, clay graphite crucibles, foundry and allied products for ferrous and non-ferrous metal industries. Our products use assiduously selected materials to precisely match the characteristics and operational performance to each customer's metal melting, holding or transfer application, and come in varied shapes and sizes.

Where we operate

Our state-of-the-art manufacturing units are situated in Aurangabad and Mehsana, India. In addition, we have a well-spread sales and distribution network in India and around the world, enabling us to cater to diverse customers efficiently.

Our Vision

We are committed to make the best possible use of advanced materials to drive progress and solve difficult problems for our customers and the wider world. We'll succeed because we have capability in three key areas –



Materials Science

- Leading Technologists
- Extensive Institutional Knowledge



Application Engineering

- Passion for Problem-Solving
- Culture of Knowledge Sharing & Collaboration



Customer Focus

- Customer Obsession
- Deep Market Insight

Our Core Values

In everything we do, we are guided by four core values:



Ambition

We aspire to build our business rapidly and sustainably.



Integrity

We act with honesty at all times to safeguard the trust of those that rely on us.



Innovation

We seek fresh ways of excelling in all that we do.



Collaboration

We support one another actively and contribute to each other's growth.

Our Product Portfolio

Our product basket comprises an extensive range of crucibles and foundry products available in diverse shapes and sizes. These products find application in a wide range of industries including aerospace, power generation, mining, defence, auto, industrial machinery, electrical equipment, and railways.

Our products are widely recognised for:

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

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



Launderers &
Liners



Morcem Cement



Tubes & Plunger Mix



Rod, Tiles &
Stirrers

Our Strengths



Brand Recognition

Over the years, Morgan has established itself as the most respected brand with vast expertise and deep domain knowledge. Its strong brand recall has enabled the Company to garner over 35% market share in the industry.



Technology Edge

Strong technological support from the parent company enables us to drive innovation and stay ahead in the marketplace. We work in close collaboration with our customers to understand their requirements and deliver customised products and solutions for complex and demanding applications.



Quality Consciousness

Quality excellence is of utmost importance to us and form the bedrock of the corporate philosophy. We maintain a comprehensive quality management system based on ISO 9001:2015. We remain committed to delivering highest-quality products and services and achieve maximum customer satisfaction.



Marquee Clientele

Our customers include some of the most esteemed and distinguished corporates such as Tata Group, Hindustan Pencil, Indian Railways, Jindal Saw, Titan Company Limited, Sundaram Clayton Group and Aurangabad Electricals, among others.



Safety

Our ultimate goal is zero harm. We are constantly looking for ways to make our factories, systems and people safer.



Ethics

Every one of us is responsible for the culture and reputation of Morgan and the environment in which we work. If we see examples of behaviours that do not reflect our ethical stance, we show courage, stand up, call it out and stop it.

MESSAGE TO SHAREHOLDERS



MCIL is among the leading contributor in Molten Metal Systems business and is committed to delivering the performance - safely and ethically.

Dear Shareholders,

It gives me great pride to present to you the Annual Report of Morganite Crucible (India) Limited for the fiscal year 2019-20. I am pleased to report that your Company has been able to deliver organic growth of around 7% in the face of adverse market conditions, especially in the automotive and metals industry, for most of the year. The Company's underlying profitability, excluding the one-time restructuring costs, has also remained strong during the fiscal year 2019-20 was a transformative year for your Company, as we embarked upon changing the footprint of the Company's operations to position ourselves well for the future and investing in the technologies that will allow us to differentiate ourselves in the marketplace. I am happy to announce that the Company will continue its recent practice of issuing a final dividend of ₹ 16/- per share for the year ended March 2020.

The global Molten Metal Systems business, to which your Company is a significant contributor, saw subdued growth throughout the year 2019, mainly on account of weak new vehicle production in the automotive industries in China, India, Europe and South America. However, strong performance in the precious metals markets, driven by the ever increasing prices of gold and silver, allowed the global business to deliver a 2% growth in revenue over 2018. I fully expect weak market

conditions to continue globally throughout the year 2020, driven by the lockdowns and depressed consumer demand due to the COVID-19 pandemic. In essence, we expect the effects of the pandemic to make the already weakened industrial markets worldwide even worse.

Mr. Kadlag and his team in MCIL are repositioning the business to best face these challenges in 2020, with flexible operating patterns, focus on productive and differentiated technologies, and continuing work on sales effectiveness and operational excellence. Our team also needs to learn how to operate safely and effectively in the times of COVID-19 pandemic, which will need us to re-think our previous assumptions of conducting our business. I am confident that the team is focussed on overcoming these challenges and delivering strong performance in the coming year for our stakeholders.

I would like to thank our employees and business partners for their continued dedication, and our customers and stakeholders for their continued support. I look forward to a successful year ahead amidst all the challenges that 2020 will bring.

Dr. Aniruddha Karve

Managing Director
Molten Metal Systems (MMS)

MANAGING DIRECTOR'S REVIEW



MCIL takes pride that despite the very fluid and challenging market conditions throughout the year, we delivered strong performance.

Dear Shareholders,

I am elated to be presenting MCIL's annual report. This is my second report after taking over the responsibilities of Managing Director of MCIL.

We have finished the fiscal year 2019-20. It was a year of mixed sentiments with more of downs and less of the ups. Economic activities globally and in India continued declining, resulting in huge impact on the automotive and consumer segments. We started at the backdrop of overall market slide in single digit by end of Q1, and with a further drop of close to 30% by the end of the year. However, as a MCIL team, we take pride that despite very fluid and trying market situation throughout the year, we delivered strong performance.

At MCIL, we are committed to protecting stakeholder value; hence in the fiscal year 2019-20, we continued our efforts to make ourselves more agile with optimisation of manufacturing footprint, betterment of infrastructure including land & building, technologically advanced machines and equipment to maintain our competitive edge in the market. We do understand that this could result in short-term impact on performance figures but is the essential **foundation** for ensuring long-term consistent strong performance.

We also took necessary steps to address our weakness of product shortcomings in certain market segments. Most important among all is we completed all actions to scale production and ensure product performance consistency in our foundry segment such as Degassing Rotors & Stopper rods. Strategically, this segment has been established as machine products segment. We expect maximum growth on this segment compared to the core products division. We are prepared to maximise business opportunities towards the same.

Going forward, we are confident that our continuous efforts to enhance our operational efficiencies, agility & **our maximiser approach** on the potential business opportunities will deliver strong profitability and growth in the coming years. Finally, I would like to take this opportunity to extend my gratitude to all our stakeholders for their faith in MCIL. I would also like to thank each and every member of our team for their commendable work and look forward to working with them in the years to come.

Vikas Kadlag

Managing Director
Morganite Crucible (India) Limited

OUR FINANCIAL SCORECARD

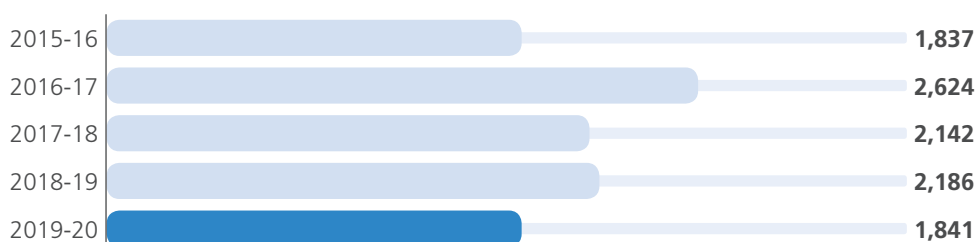
Revenue

(₹ in Lakhs)



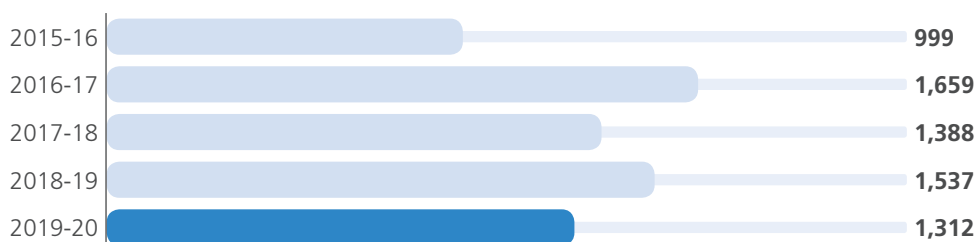
Operating Profit

(₹ in Lakhs)



Profit After Tax

(₹ in Lakhs)



Dividend Per Share

(₹)



Earnings Per Share

(₹)



Market Capitalisation

(₹ in Lakhs)



CORPORATE INFORMATION

Board of Directors

Aniruddha Karve

Director

Vikas Kadlag

Managing Director

Martin Coll

Director

Mukund Bhogale

Independent Director

Subhash Kolapkar

Independent Director

Maithilee Tambolkar

Independent Director

Key Managerial Personnel

Vikas Kadlag

Managing Director

Atithi Majumdar

Chief Financial Officer

Rupesh Khokle

Company Secretary

Auditors

B S R & Associates LLP
Chartered Accountants
8th Floor, Business Plaza,
Westin Hotel Campus
36/3-B Koregaon Park Annex,
Mundhwa Road,
Pune - 411 001
Firm Registration No:
116231W/W-100024

Secretarial Auditors

KMP & Associates

Company Secretaries

7/8, Harnam Plaza, Opp.
IDBI Bank, Osmanpura,
Aurangabad – 431 005

Bankers

Axis Bank Limited
State Bank of India
UCO Bank 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

Morganite Crucible (India) Limited

Unit: Mehsana

212/C, GIDC Estate,
Mehsana – 384 002, Gujarat

**Corporate Identity Number (CIN) of
the Company**

L26920MH1986PLC038607