



MORGANITE CRUCIBLE (INDIA) LIMITED

25TH ANNUAL REPORT 2009-10

BOARD OF DIRECTORS :

Mr. John A. D. Maxwell	Chairman
Mr. Vijay S. D. Sabarwal	CEO/ Whole time Director
Mr. Didier Francois Finck	Director
Mr. Stuart Alan Cox	Director
Mr. Baljinder Kumar Bandha	Director (Up to 3rd July 2010)
Mr. Sadanand Vasant Shabde	Independent Director

COMPANY SECRETARY :

Mr. Anurag Geete (From 16th Jan 2010)

AUDITORS' OF THE COMPANY :

Price Waterhouse & Co.,
Chartered Accountants, Mumbai.

BANKERS :

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

REGISTERED OFFICE AND FACTORY :

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

Registered & 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 25TH ANNUAL GENERAL MEETING of the Shareholders of MORGANITE CRUCIBLE (INDIA) LIMITED will be held on Wednesday, September 22, 2010 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, 2010 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. Didier Francois Finck who reiters by rotation and being eligible offers himself for reappointment

SPECIAL BUSINESS :

3. To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution for appointment of Auditors:

“RESOLVED THAT, pursuant to the provisions of Section 225 and other applicable provisions, if any of Companies Act, 1956, M/s BSR & Co. Mumbai , be and are hereby appointed as Auditors of the Company in place of the retiring Auditors to hold office from the Conclusion of ensuing Annual General Meeting until the conclusion of the next Annual General Meeting at a remuneration to be fixed by any one of the Directors of the Company in consultation

4. To consider and if thought fit to pass with or without modification as an special resolution:

“Resolved that pursuant to the provisions of section 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act 1956 and in accordance to the Resolution passed at the 21st, 23rd and 24th Annual General Meeting and subject to the approval given by the Central Government the members hereby adopt and approve the reappointment of Mr. Vijay Sabarwal, CEO and whole time director of the Company for a period of one year effective till April 9, 2011 and payment of remuneration to Mr. Vijay Sabarwal as set out in the Explanatory Statement annexed to this notice.”

By Order of the Board,

Vijay Sabarwal
Director

Registered Office :

B-11 MIDC Industrial Area Waluj,
Dist - Aurangabad – 431 136,
Maharashtra. India
Date: Aug. 11, 2010

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. 3 to 4 above is annexed.
3. The register of members and the share transfer books of the Company will remain closed from September 19, 2010 to September 22, 2010 (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 2002-2003 and which remain unpaid or unclaimed will be transferred to the Investor Education & Protection fund of the Central Government on or after 21 July 2010 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.

By Order of the Board,

Vijay Sabarwal
Director

Registered Office :

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

Date: Aug. 11, 2010

MORGANITE CRUCIBLE (INDIA) LIMITED

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

ATTENDANCE SLIP

Twenty Fifth Annual General Meeting on September 22, 2010

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 FIFTH ANNUAL GENERAL MEETING** of the Company held on Wednesday, September 22, 2010 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.



Tear here



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 FIFTH ANNUAL GENERAL MEETING** of the Company to be held on Wednesday, September 22, 2010 at 11.00 am at B-11, MIDC, Industrial Area, Waluj - 431 136, Dist. - Aurangabad. and at any adjournment thereof.

Signed thisday of2010

Signature

Please affix
30 p.
Revenue
Stamp Here

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. 3 to 4 of the accompanying notice dated July 8, 2010.

Item No. 3

At present, M/s Price Waterhouse & Co., Chartered Accountants, Mumbai are the Statutory Auditors of the Company. As per the applicable provisions of the Companies Act, 1956, they are holding office till the conclusion of the next Annual General Meeting. The said Statutory Auditors of the Company have expressed their inability to be re-appointed as Statutory Auditors of the Company. Moreover, the Company has received a special notice under the provisions of Section 225(1) of the Companies Act, 1956, from some of the members signifying their intention to propose M/s BSR & Co. Mumbai Associate of KPMG as Auditors of the company in place of Price Waterhouse & Co., Chartered Accountants, Mumbai, the retiring auditors of the Company.

In view of this, an Ordinary resolution has been proposed for appointment of the said M/s BSR & Co. Mumbai as Statutory Auditors for the year 2010-11. The Company has received necessary certificate from the proposed Auditors under section 224 (1B) of the Companies Act, 1956 about their number of Auditorship.

Although appointment/re-appointment of the Statutory Auditors at an Annual General Meeting is an Ordinary business and therefore, explanatory statement is not required. However, by way of abundant caution and for better compliance of section 225 of the Companies Act, 1956, this explanatory statement has been provided to the members of the Company.

None of the Directors of the Company is in any way concerned or interested in this business.

Necessary letters received from the Auditors of the Company are available for inspection at the Registered office of the Company during normal business hours on all working days.

The Directors recommend this resolution to be passed as an Ordinary Resolution.

Item No. 4

Mr. Vijay Sabarwal aged 44 years is BE (Mech) form IIT Rourkee and has total experience of over 21 years in senior capacity in large corporate. During his previous employment he has acquired expertise in diverse fields such as manufacturing, marketing and administration. The general information about the appointee as per Schedule XIII of the Companies Act 1956 read will all relevant section therefore shall remain unchanged as set out in the explanatory statement which form part of Notice dated April 28, 2006 for convening Twenty first Annual General Meeting, and hence not reproduced again here.

Mr. Vijay Sabarwal is proposed to be reappointed as whole time director of the company for a further period of one year starting from 10th April 2010 to 9th April 2011 on following remuneration subject to approval from Central Government for which the company has already moved an application;

Component	Details	Amount (INR) PM	Per Annum	Remarks
Basic		151991	1823892	
HRA	40% OF BASIC	60796	729557	
PF	12% OF BASIC	18239	218867	
Superannuation	15% OF BASIC	22799	273584	
Gratuity	5% OF BASIC	7600	91195	
Bonus/Commission	Minimum 30% Basic – Max 60%			Min-INR 547167, Max- INR 1094335
City Allowance	Fixed mount	50000	600000	
Car Allowance		27600	331200	
Special Allowance		36000	432000	
Education allowance		250	3000	
LTA			58000	
House Maintenance			35000	
Club Reimbursement			35000	
Total			4631294	

Morganite Crucible (India) Limited

Medical & Hospitalization :

Complete reimbursements for self / Immediate family / Dependent parents at actual subject to maximum Rs. 60000/-

Life Insurance :

Under the group insurance policy for senior management

A copy of the new Agreement entered in to between the Company and Vijay Sabarwal is available for inspection by the members at the Company's registered office from 11:00 AM to 02:00 PM on any working day up to the date of Annual General Meeting.

Only Mr. Vijay Sabarwal is interested in this resolution.

This may also be treated as an abstract of the Agreement entered into between the Company and Mr. Vijay Sabarwal, pursuant to the provision of Section 302 of the Companies Act 1956.

The Directors recommended the resolution for the approval of the members.



DIRECTORS' REPORT

The Members,

Your Directors present the 25th Annual Report together with the Audited Statement of Accounts of the Company for the period ended on March 31, 2010.

1. FINANCIAL RESULT:

(Rs. In Lacs)

<i>Particulars</i>	<i>Year Ended 31st March 2010</i>	<i>Year Ended 31st March 2009</i>
Profit before Interest, Depreciation and Taxation	1408.69	671.18
Less: Interest	116.96	103.82
Less: Depreciation	317.33	184.79
Profit for the year before taxation	974.41	382.57
Less: Provision for Taxation		
- Current Tax	395.43	50.00
- Deferred Tax	(103.09)	59.16
- Fringe Benefits Tax	-	7.00
Profit for the year	682.06	266.40
Profit brought forward from the Previous Year	737.26	470.85
Profit carried to Balance Sheet	1419.32	737.25

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. 54.88 Crores as compared to Rs. 33.43 Crores.

During the current year the Company has completed and capitalized in its books the expansion/modernisation of its plant to Rs. 172.28 Lacs for increasing the production capacity and initiated the proceedings for expansion of production capacity to the tune of 6500 MT PA.

To minimize the impact of the increase in the price of raw material and to maintain the best quality the Company has decided to involve the suppliers which are the established supplier to the Company's parent company production facility at UK. This will ensure maintenance of quality standard and product performance in the market.

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 2010. There is no change took place during the year under review.

Morganite Crucible (India) Limited

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, the names and other particulars of the employees are set out in the annexure to the Directors' Report. However, as per the provisions of Section 219(1)(b)(iv) of the said Act read with the Clause 32 of the Listing Agreement as notified by Securities and Exchange Board of India, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

7. AUDITORS:

The notes of the Auditors and other notes on accounts are also self-explanatory. The Auditors of the Company M/s. Price Waterhouse & Co., Chartered Accountants, Mumbai, will retire at the forthcoming Annual General Meeting. However they have expressed their inability to be reappointed as Auditors. The Company has received special notice to appoint M/s BSR & Co. Mumbai as Auditors of the Company for the year 2010-11. The Directors recommend appoint of M/s BSR & Co. Mumbai as Auditors of the Company for the year 2010-11 and necessary business has been incorporated in the notice convening Annual General meeting of the members of the Company

8. DIRECTORS:

One of your Directors retire by rotation in terms of the Articles of Association of the Company. He, being eligible, have offered himself 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 are 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, 2010 being end of the financial year 2009 10 and of the profit of the Company for the year;