



June 12, 2024

BSE Limited
Listing Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

National Stock Exchange of India Limited
Listing Department,
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai-400 051

Scrip Code : 500150

Scrip code : FOSECOIND

Dear Sirs,

Sub: Chairperson's Statement

We wish to inform you that the 67th Annual General Meeting of Foseco India Limited was held on Tuesday, June 11, 2024 at 1400 Hours (IST) through Video Conferencing.

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, we are submitting herewith a copy of the Statement that was delivered by the Chairperson at the aforesaid meeting.

Kindly take the same on record.

Yours faithfully,

For FOSECO INDIA LIMITED

**MAHENDRA
KUMAR DUTIA**

Digitally signed by
MAHENDRA KUMAR
DUTIA
Date: 2024.06.12
13:31:04 +05'30'

**Mahendra Kumar Dutia
Controller of Accounts and Company Secretary**

FOSECO INDIA LIMITED

Chairperson's Speech – 67th Annual General Meeting

11th June 2024

Dear Members,

Good Afternoon, Ladies and Gentlemen and Good Morning to all those who have joined this meeting from the UK. It is my privilege to welcome you all to the 67th Annual General Meeting of the Company being conducted through video conferencing facilities on the National Securities Depository Limited's (NSDL) platform. This is my 6th AGM as the Chairperson of the Company.

I hope that all of you and your families are keeping well. The virtual AGM is a progressive step as it allows members irrespective of where they are physically present either in India or even abroad, participate in this AGM. Lots of planning and efforts have gone behind the virtual AGM of the Company today with the objective that large number of members can participate in the meeting. I thank all those who has made this event happen successfully.

The Company Secretary has advised me that the members attending the AGM through VC facility shall be counted for quorum as per Section 103 of the Act. The quorum as required under law is present and fulfilled. Therefore, I declare this meeting as validly convened.

The Company has received 3 letters along with Board Resolutions from the promoter shareholders appointing their authorised representatives under Section 113 of the Companies Act 2013 in respect of 47,88,845 equity shares representing 74.98% of the total paid-up shares of the Company, to attend this meeting virtually. I welcome the authorised representatives who have joined this meeting from London, UK.

The Annual Report and the Audited Accounts for the financial year ended 31 December 2023 have been with you for some time and with your permission, I will take them as readThank you !

Introduction of the Directors

I would now introduce my fellow Board Members who are present today through Video Conferencing, participating from their respective home or offices. Starting with me, I am Ravi Kirpalani, Non-Executive Independent Director and Chairperson of the Board and also a Member each of the Audit

Committee, the Nomination and Remuneration Committee (NRC), the Corporate Social Responsibility Committee (CSR) and the Risk Management Committee (RMC). In addition, I am the Member and the Chairperson of the Stakeholders' Relationship Committee (SRC). I am participating from my home office in Gurugram, Haryana.

Ms. Anita Belani, Non-Executive Independent Director on the Board of the Company. She is the Chairperson each of the CSR & NRC and a member each of the Audit Committee, the SRC and the RMC. She has an MBA. from XLRI, Jamshedpur and B.A.(Hons) in Economics Degree from Miranda House, University of Delhi. Ms. Anita Belani is a seasoned professional with 36 years of rich experience as a senior business and human capital leader. She is participating from her residence in Mumbai.

Mr. Amitabha Mukhopadhyay, Non-Executive Independent Director on the Board of the Company. He is the Chairperson each of the Audit and RMC and a member each of the SRC, NRC and CSR Committee. He is a Chartered Accountant from the Institute of Chartered Accountants of India. He is also a law graduate from the Pune University. Earlier he has worked for leading Indian groups and also held role as Business Head of disparate businesses. He is participating from his residence in Kolkata.

Mr. Mark Russell Collis, Non-Executive Non-Independent Director on the Board of the Company and a nominee of the Holding Company – Foseco Overseas Limited, is an Executive Director and the Chief Financial Officer of the Vesuvius plc, the group company. Mr. Collis has over 21 years of financial experience and operational and leadership skills gained through management roles in a number of international businesses including Amec Foster Wheeler plc, Expro International Group and lastly as the Chief Financial Officer of the Operations business of John Wood Group PLC. He is a Member each of the Audit Committee and the RMC of the Board of the Company. He is participating from his office in London.

Ms. Karena Cancilleri, Non-Executive Non-Independent Director on the Board of the Company is the nominee of the Holding Company – Foseco Overseas Limited. She is the President, Foundry Technologies of the Vesuvius plc. She was previously VP Engineered Products for Beaulieu International Group, a global specialist in raw chemical materials and semi-finished engineered products. Her experience spans across various international roles in companies such as Shell Chemicals, Kraton Corporation and FiberVisions. She is a Member each of the Board's NRC and RMC. She is participating in this meeting from her home office in London.

Mr. Prasad Chavare, the MD & CEO of the Company. He is also the VP of India & ASEAN, Foundry division. Mr. Chavare is having rich and extensive experience of over two decades spanning across continents and diverse industries such as Automotive, Power Generation, Turnkey Projects, Construction and Building Materials. Prasad's last assignment was with Cummins Technologies India Private Limited, as a Whole-time Director and a country leader. He has also worked with Hilti India. Mr. Prasad Chavare is a Member each of the Board's SRC, CSR and RMC. Presently, he is on business travel and has joined this meeting from New Delhi.

Also joining with us today are Mr. Mohit Mangal, CFO and Mr. Mahendra Dutia, Controller of Accounts and Company Secretary & Compliance Officer of the Company, having joined this meeting from the Company's Office in Sanaswadi, Pune.

Participation of the Auditors

I also formally acknowledge the participation of Mr. Ali Akbar, the partner of Price Waterhouse Chartered Accountants LLP (PwC), the Statutory Auditors, Mr. Rajesh Karunakaran, the sole proprietor of Rajesh Karunakaran & Co., the Secretarial Auditor and Dr. Dhananjay Joshi representative of Joshi Apte and Associates, the Cost Auditor of the Company.

Inspection of Documents

Electronic copy of all the documents referred in the AGM Notice and the Explanatory Statement thereto including the statutory records are made available for inspection to members up to the conclusion of this AGM. In case of any queries, you may write an email to investor.grievance@vesuvius.com.

Electronic Notice and the Annual Report

The Notice convening the 67th Annual General Meeting and the link to access the Annual Report of the Company for the year ended 31 December 2023 were sent by NSDL through e-mail on May 18, 2024, to those members whose e-mail IDs were registered with the Company/Depository Participant(s), unless any member has requested for a hard copy of the same. In case any member is desirous of obtaining a hard copy of the Annual Report for the financial year 2023, they may send a request by writing an e-mail to the Company's Registrar, Link Intime India Pvt. Ltd., mentioning their Folio No./ DP ID and Client ID. The Annual Report and the AGM Notice are available on the Company's website: www.fosecointia.com. Additionally, these can be accessed on the websites of the Stock Exchanges i.e. the BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on

the website of NSDL (agency providing the Remote e-Voting facility and e-voting system during the AGM) at www.evoting.nsdl.com.

I am happy to note that the Auditor's Report on the Annual Accounts of the Company for the financial year ended 31 December 2023 does not contain any qualifications, observations or comments on financial transactions or matters, having an adverse effect on the functioning of the Company. Therefore, in terms of the provisions of Section 145 of the Companies Act, 2013, the Auditor's Report is not required to be read at the AGM, and hence, I take the Auditor's Report as read.

Introduction

It gives me great pleasure to present Foseco India's Annual Report for 2023. I would like to thank you for your continued trust and support and to reaffirm our commitment to be a valued partner for all our stakeholders.

Performance Highlights: Fiscal Year 2023

In the fiscal year 2023, Foseco India witnessed significant growth, highlighted by increased revenue, improved profitability, and effective total trade working capital management. This growth was primarily fuelled by robust demand in the domestic market. Despite facing challenges such as high raw material costs and occasional price spikes, Foseco India demonstrated expertise in assisting customers in navigating through these obstacles by offering tailored solutions and improving productivity. As a result, the Company successfully recovered rising costs from the market by delivering exceptional value. Moreover, Foseco India's disciplined approach to collections led to a reduction in trade receivables days, further enhancing its financial stability. All these measure, coupled with significantly higher volume, improved the net profit margin by 400 basis points over the previous year. Furthermore, the Company generated ₹ 5,710 lakh net cash from its operating activities in 2023. As it heads into 2024, the Company recognises the uncertainty in global economic developments. However, the Company's priority is to consolidate further by continuing to drive profitable growth and strengthen its market position. Foseco India is committed to delivering value to its stakeholders and contributing to sustainable development. It has taken several key strategic initiatives to achieve this, including capacity, innovation, and sustainability investments. In the past year, your Company has made significant progress in these areas by launching new products and technologies that improve casting quality, reduce emissions, and optimize resource usage.

Economic Backdrop 2023

The global economy faced significant headwinds in 2023, with growth slowing to 2.4%. Inflation remained elevated, putting pressure on household budgets, despite some improvement in international prices of oil, gas and food. Central banks continued to signal the likelihood of ongoing high interest rates. Geopolitical tensions and economic fragmentation added to the challenge. However, there were also some bright spots, such as the uplift from China's reopening, the resilience of labour markets and consumer spending in most advanced economies. India and China are expected to account for half of global growth in 2023. Despite these uncertainties, India demonstrated both resilience and progress. Banking, particularly in the areas of digital payments and fintech, healthcare, energy, manufacturing and construction and the services sector driven by financial, real estate and professional services, contributed to India's GDP growth. A key driver behind this economic momentum has been a concerted effort towards capital expenditure to stimulate growth and development. Notably, a substantial amount has been allocated towards capital expenditure, amounting to approximately ₹ 10 lakh crore, marking a record-high allocation. This investment underscores the government's commitment to fostering economic expansion and infrastructure development, laying the groundwork for sustained growth in the years to come.

Foundry Market Insights

India is the second-largest casting producer in the world, behind China. The Indian foundry industry manufactures metal cast components for applications in Automotive, Tractor, Railways, Machine tools, Pipes, Defence, Aerospace, Construction, Mining, Textile, Cement, Electrical, Power Machinery, Pumps/Valves, Wind turbine generators etc.

On the positive side, India's foundry industry is expected to benefit from several factors. The government's focus on infrastructure development and initiatives such as the National Infrastructure Pipeline (NIP) could drive demand for cast metal products in sectors like construction, transportation, and energy. Additionally, the emphasis on "Make in India" and domestic manufacturing could lead to increased demand for castings in various industries. Furthermore, the global trend towards lightweighting in automotive and aerospace industries presents an opportunity for Indian foundries to produce high-quality castings using innovative materials and processes. The growing adoption of electric vehicles (EVs) also opens up new avenues for foundries to supply components for electric drivetrains and battery systems.

However, Indian foundries will also face challenges in 2024. Fluctuations in raw material prices, particularly for metals like iron, steel, and aluminium, could impact production costs and profitability. Moreover, the volatility in global markets and geopolitical tensions may affect export-oriented foundries.

Another key challenge is the need for technological advancement and innovation to meet evolving customer requirements and growingly stringent quality standards. Indian foundries will need to invest in automation, digitalization, and process optimization to enhance efficiency, productivity, and competitiveness.

Overall, while the outlook for Indian foundries in 2024 is promising, success will depend on the industry's ability to adapt to changing market dynamics, embrace innovation, and leverage opportunities for growth in both domestic and international markets.

2024 The Year So Far

Foseco India continues with its good performance quarter on quarter on the back of good results of the previous year. The year has begun on a positive note as you would have seen from the 1st quarterly results. We are happy to report the continuing strong performance of the Company. We remain committed in shaping the future of our industry with the continued support of our employees, customers, vendors and other stakeholders.

The Management is continually maintaining and building on its engagement with the employees by communicating the business updates and plans through Town Hall meetings. This has helped everyone in the company to keep themselves abreast with the organisation strategies, goals and align them to a common objective. The Company has set its priority to grow the sales and strengthen its market position in the foundry industry, in all divisions and in every region, while keeping its sight on profitability and working capital management. But the first and foremost is its commitment towards safety of its people and the best-in-class quality of the products.

Focus on Innovation

Foseco India goes beyond delivering the best-in-class quality products, and continues to come out with innovative solutions for the metal casting industry, thereby staying ahead of the game. Foseco India focuses on innovations related to improving casting quality, process efficiencies and sustainability. This includes developments in materials, processes and technologies aimed at enhancing the casting process, reducing defects, optimizing energy usage, and minimizing

environmental impact. For example, this year Foseco is introducing ROTOCLENE, a new process for producing the highest quality, inclusion-free steel for casting.

Your Company's efforts on innovation are being recognized by the external stakeholders like our customers and the trade bodies. Last year, Foseco was the sole recipient of Ashok Leyland's Gold award on Innovation among 20+ foundry suppliers and hundreds of Tier-1 suppliers.

Sustainability Drive

At Foseco India, environmental stewardship and sustainability are paramount. We prioritise eco-friendly practices throughout our operations, striving to minimise our environmental footprint and promote responsible resource management. The Company is committed towards Sustainability, has set ambitious targets, and tracking progress closely. The Company has embraced best practices, leveraged technology and innovation in operations, implemented several projects in the areas of renewable energy sources and energy efficiency. As an outcome, Sustainability results continue to be ahead of the commitments, towards a more sustainable future. Members would be glad to know that we were recognized and awarded the "Green Champion of the Year" award by Dun & Bradstreet.

Foseco India's Commitment to CSR

At Foseco India, the commitment to making a positive impact extends beyond business operations. The CSR Policy reflects the Company's dedication to the welfare of society and the environment. The Company's CSR initiatives, touch the lives of communities close to the areas where we operate. Our ongoing association with Jehangir Hospital in Pune for the detection and treatment of juvenile diabetics is a reflection of our commitment to healthcare. Under the 'Happy Family Kit' banner, we distributed biomass cookstoves to needy families in slum, rural and semi-urban communities, providing a convenient and environment-friendly alternative to traditional cookstoves.

Our People

I am happy to share that our Company's success is rooted in our unwavering commitment to our CORE Values and a **'People First'** approach, where every individual feels esteemed, respected, and empowered. In 2023, we have achieved the highest ever employee engagement scores within the Vesuvius group, in the survey conducted by reputed organization - Mercer Sirota. We have been certified as Great Place to work and a Future Ready Organization Award conferred by the Economic Times, which was given to us on our proactive stance on Sustainability, Diversity, Equity, and Inclusion (DEI). We also have taken steps to induct millennials through our Graduate Program to ensure building a talent pipeline and put in place a robust talent management process. We are committed to focus on Capability development of our people.

Board Matters

I take this opportunity to place before you the recommendation of the Board for the re-appointment of Mr. Prasad Chavare, the Managing Director and the Chief Executive Officer, as a Director who retires by rotation at this AGM and being eligible, offers himself for re-appointment.

The Shareholders of the Company has vide the resolution passed at the 64th Annual General Meeting of the Company held on 21 June 2021, had approved the appointment of Mr. Prasad Chavare as the MD and CEO of the Company for a period of 5 (five) years, with effect from 1 June 2021 to 31 May 2026. At the aforesaid Annual General Meeting, the Shareholders had also approved the remuneration payable to Mr. Prasad Chavare, which shall not exceed the maximum remuneration to the amount of ₹ 3,40,00,000/- per annum, as prescribed under Section 197 read with Schedule V of the Companies Act, 2013, including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof. Under the tenure of Mr. Prasad Chavare, the Company has achieved good results both in the form of revenues and profits. In recognition of good contribution to the growth of the Company, his remuneration is subject to revision for the period beginning 1st January 2024 and beyond till the conclusion of his present tenure, which may exceed ₹ 3,40,00,000/- per annum that the Members of the Company has approved at the aforesaid Annual General Meeting. Thus, the approval of the Members of the Company is sought to pay the remuneration to Mr. Prasad Chavare which is likely to exceed ₹ 3,40,00,000/- per annum for the remaining period of his tenure but which shall be within the limit prescribed under Section 197 and 198 read with Schedule V of the Companies Act 2013, including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof.

In addition to that, the candidature of Ms. Anita Belani for re-appointment as an Independent Director for the second term of 5 years commencing from 21 June 2024 and ending on 20 June 2029 is also recommended by the Board for your approval. The concerned Resolutions are carried in the Notice of the AGM.

The Members are also required to ratify the remuneration payable to Joshi Apte & Associates, the Cost Auditor, for the financial year ending on 31st December 2024. A fee of ₹ 4,50,000/-, exclusive of the GST, has been decided to be payable to the Cost Auditors, which is the same as paid in the last year. A Resolution in this regard is carried in the AGM Notice for your consideration.

Appreciation

The Board of Directors would like to place on record their sincere appreciation to our customers, vendors, dealers, suppliers, investors, business associates, bankers, Government Authorities for their continued support during the year. The Directors deeply appreciate the contribution made by employees at all levels for their hard work, solidarity, co-operation and support. I would like to thank all those who have joined this meeting through VC and I look forward to similar support in future as well. I wish to also thank all the stakeholders of the Company and the parent Company, for their continuous support, guidance and patronage.

I wish you all the very best for the year ahead.

Thank you!

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