



May 28, 2021

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: 1) Notice of the 64th Annual General Meeting of the Company**
2) Intimation of the Book Closure and Dividend Payment Date
3) Annual Report of the Company for the year ended 31 December 2020

Please be informed that the 64th Annual General Meeting (AGM) of the Members of Foseco India Limited (the Company) will be held on Monday, 21 June 2021 at 1430 Hours (IST) through Video Conferencing or Other Audio Visual Means, to transact the businesses as mentioned in the AGM Notice. The venue of the meeting shall be deemed to be the Registered Office of the Company at Gat Nos. 922 & 923, Sanaswadi, Taluka Shirur, District Pune - 412 208.

In terms of the provision of Section 91 of the Companies Act, 2013, read with Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR)], the Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 15 June 2021 to Monday, 21 June 2021 (both days inclusive) for determining the entitlement of the members to the payment of final dividend, if declared at the Meeting. The final dividend, if declared at the AGM, shall be paid/credited on or before Tuesday, 20 July 2021 as under, to those Members of the Company:

- i) whose names appear in the Company's Register of Members in respect of shares held in physical form, after giving effect to all valid share transmission request lodged with the Company on or before the close of business hours on Monday, 14 June 2021; and
- ii) whose names appear as beneficial owners in respect of shares held in demat form, as per the details furnished for this purpose by the National Securities Depository Limited and the Central Depository Services (India) Limited, as of the close of business hours on Monday, 14 June 2021.

Pursuant to Regulation 34 of the SEBI (LODR), the Notice of the 64th AGM of the Company together with the Annual Report of the Company for the year ended 31 December 2020 including the Business Responsibility Report is submitted herewith. The Annual Report contain all the details as laid down under Regulation 34(2), Regulation 34(3) and Schedule V of the aforesaid Regulation, to the extent applicable to the Company.



The AGM Notice together with the Annual Report is being sent to the Members of the Company today through electronic mode today. It is also made available on the website of the Company.

Kindly take the above information on record.

Thanking you,

Yours faithfully,

For FOSECO INDIA LIMITED

Mahendra Kumar Dutia
Controller of Accounts and Company Secretary

Enclosing: As above

Solutions Partner to the Expert Foundryman



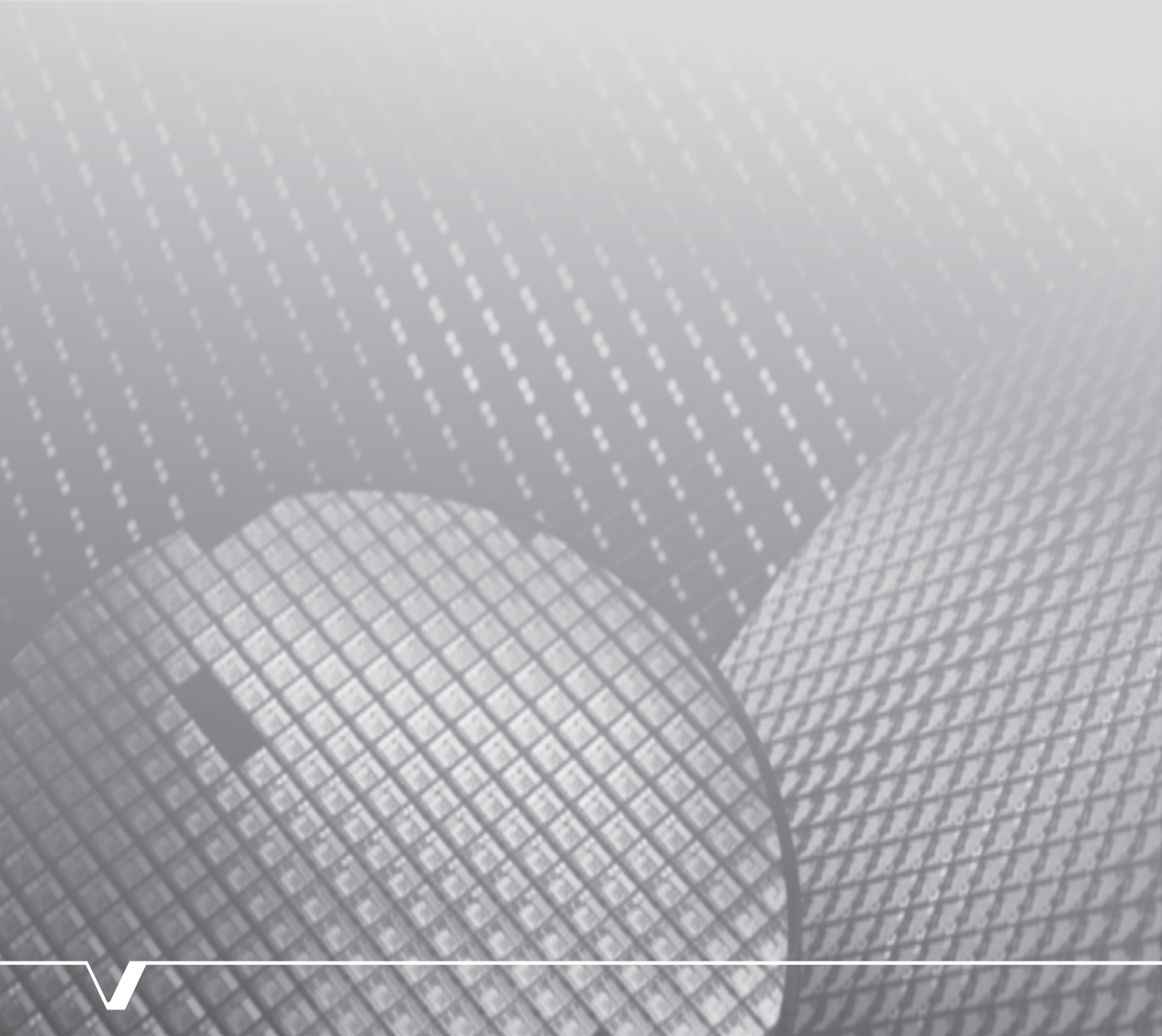
Foseco India Limited

Foseco is a brand of the Vesuvius Group

64th
Annual
Report

2020





Corporate Information

Board of Directors

Ravi Moti Kirpalani	Director & Chairperson
Prasad Chavare	MD & CEO
Ajit Shah	Director
Guy Franklin Young	Director
Anita Belani	Director
Karena Cancilleri	Director
Ujjal Bhattacharjee	Director
Sanjay Mathur	Director (Up to 31 December 2020)

Chief Financial Officer

Mohit Mangal

Company Secretary & Compliance Officer

Mahendra Kumar Dutia

Audit Committee

Ajit Shah	Chairperson
Ravi Moti Kirpalani	
Guy Franklin Young	
Anita Belani	

Stakeholders Relationship Committee

Ravi Moti Kirpalani	Chairperson
Ajit Shah	
Anita Belani	

Nomination & Remuneration Committee

Ajit Shah	Chairperson
Ravi Moti Kirpalani	
Anita Belani	
Karena Cancilleri	

Corporate Social Responsibility Committee

Anita Belani	Chairperson
Ravi Moti Kirpalani	
Ajit Shah	

Registered Office

Gat Nos. 922 & 923, Sanaswadi,
Taluka Shirur, District Pune – 412208
Tele: +91 (0)2137 668100, Fax: +91 (0)2137 668160,
Website: www.fosecoindia.com
E-mail ID: investor.grievance@vesuvius.com
Corporate Identity Number: L24294PN1958PLC011052

Factories

- Sanaswadi, Pune
- Puducherry

Statutory Auditors

Price Waterhouse Chartered Accountants LLP

Bankers

- Standard Chartered Bank
- ICICI Bank Ltd.
- HDFC Bank Ltd.
- State Bank of India
- IndusInd Bank

Registrars and Share Transfer Agents

Link Intime India Private Limited

Block 202, 2nd Floor, Akshay Complex,
Off Dhole Patil Road, Near Ganesh Mandir,
Pune 411 001

Tel.: 020 2616 0084/1629

Fax : 020 2616 3503

Email : pune@linkintime.co.in

Website : linkintime.co.in

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Foseco India Limited

Registered Office: Gat Nos. 922 & 923, Sanaswadi,

Taluka Shirur, District Pune – 412208

Tele: +91 (0)2137 668100, Fax: +91 (0)2137 668160,

Website: www.fosecointia.com, E-mail ID: investor.grievance@vesuvius.com

Corporate Identity Number: L24294PN1958PLC011052

Notice to the Members

NOTICE IS HEREBY GIVEN THAT the 64th Annual General Meeting of the Members of **Foseco India Limited** will be held on **Monday, 21 June 2021 at 1430 Hours (IST) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)**, to transact the businesses as mentioned below. The venue of the meeting shall be deemed to be the Registered Office of the Company at Gat Nos. 922 & 923, Sanaswadi, Taluka Shirur, District Pune - 412 208.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31 December 2020, the Statement of Profit & Loss and the Cash Flow Statement for the financial year ended on that date including the explanatory note annexed to, or forming part of, the aforementioned documents, together with the Reports of the Board of Directors and the Auditors thereon.
2. To confirm the payment of an Interim Dividend on Equity Shares aggregating to Rs. 5 per share (i.e., 50%) and to declare a Final Dividend of Rs. 10 per share (i.e., 100%) on the face value of the Equity Share of Rs. 10 each of the Company for the financial year ended 31 December 2020.
3. To appoint a Director in place of **Ms. Karena Cancilleri (DIN: 08598568)**, who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

4. **Appointment of Dr. Ujjal Bhattacharjee as a Whole-time Executive Director of the Company**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 152, 160 and such other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s), variation(s) or re-enactment thereof for the time being in force), **Dr. Ujjal Bhattacharjee (DIN: 08083932)**, who was appointed as an Additional Director of the Company, pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company, with effect from 1 January 2021, and who holds office up to the date of this Annual General Meeting, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors under Section 160 of the Act be and is hereby appointed as an Whole-time Executive Director of the Company, for a period of one year with effect from 1 January 2021 to 31 December 2021, liable to retire by rotation.”

5. **Payment of remuneration to Dr. Ujjal Bhattacharjee**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other rules framed thereunder read with Schedule V to the Companies Act, 2013 (including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, and subject to such other approvals as may be required, consent and approval of the Members of the Company be and is hereby accorded to the payment of remuneration to **Dr. Ujjal Bhattacharjee (DIN: 08083932)**, upon the terms and conditions relating to remuneration and perquisites more specifically set out

in the explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to this Notice.”

“RESOLVED FURTHER THAT the Board of Directors / Nomination and Remuneration Committee of the Board of the Company be and are hereby authorised to alter, vary or modify the terms and conditions of the said remuneration from time to time, as they may deem fit, subject to the same not exceeding the maximum remuneration payable to him, which includes basic salary, personal allowance and performance linked bonus to the amount of Rs. 1,48,00,000/- per annum, without any further approval of the Members of the Company in a General Meeting, payable in monthly instalments, but subject to income tax deduction at source, 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 and to do all such acts, deeds, matters and things as may be required in regard to the said remuneration as it may in its sole and absolute discretion deem fit, to give effect to this Resolution.”

“RESOLVED FURTHER THAT where in any financial year during the existence of Dr. Ujjal Bhattacharjee’s tenure as a Whole-time Executive Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as prescribed and permitted under the Companies Act, 2013 including adherence to any regulations, guidelines or instructions as may be promulgated or issued hereafter, without seeking further approval of the Members of the Company.”

6. **Appointment of the Managing Director and the Chief Executive Officer of the Company**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 152, 160 and such other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (including any statutory modification(s), amendment(s), variation(s) or re-enactment thereof for the time being in force), **Mr. Prasad Chavare (DIN: 08846863)**, is appointed as an Additional Director of the Company, pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company, with effect from 6 May 2021, and who holds office up to the date of this Annual General Meeting, based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors under Section 160 of the Act.”

“RESOLVED FURTHER THAT consent and approval of the Company be and is hereby accorded to the appointment of Mr. Prasad Chavare as the Managing Director and Chief Executive Officer of the Company for a period of 5 (five) years with effect from 1 June 2021 to 31 May 2026, and whose term of office shall be liable to determination by retirement of Director by rotation, with authority and power to the Board of Directors to alter, vary or modify the terms and conditions of the said appointment as it may deem fit and in consultation with the Managing Director and Chief Executive Officer.”

7. **Payment of remuneration to the Managing Director and the Chief Executive Officer of the Company**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other rules framed thereunder read with Schedule V to the Companies Act, 2013 (including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof for the time being in force) and the Articles of Association of the Company, and subject to such other approvals as may be required, consent and approval of the Members of the Company be and is hereby accorded to the payment of remuneration to **Mr. Prasad Chavare (DIN: 08846863)**, upon the terms and conditions relating to remuneration and perquisites more specifically set out in the explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 annexed to this Notice.”

“RESOLVED FURTHER THAT the Board of Directors / Nomination and Remuneration Committee of the Board of the Company be and are hereby authorised to alter, vary or modify the terms and conditions of the said remuneration from time to time, as they may deem fit, subject to the same not exceeding the maximum remuneration payable to

him, which includes basic salary, personal allowance, employee incentives and annual retiral benefits to the amount of Rs. 3,40,00,000/- per annum, without any further approval of the Members of the Company in a General Meeting, payable in monthly instalments, but subject to income tax deduction at source, 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 and to do all such acts, deeds, matters and things as may be required in regard to the said remuneration as it may in its sole and absolute discretion deem fit, to give effect to this Resolution.”

“RESOLVED FURTHER THAT where in any financial year during the existence of Mr. Prasad Chavare’s tenure as the Managing Director and Chief Executive Officer, the Company has no profits or its profits are inadequate, the Company will pay remuneration to Mr. Prasad Chavare, by way of salary and perquisites, as prescribed and permitted under the Companies Act, 2013 read with Schedule V or any other applicable sections, if any, of the Companies Act, 2013 including adherence to any regulations, guidelines or instructions as may be promulgated or issued hereafter, without seeking further approval of the Members of the Company.”

8. **Ratification of the excess managerial remuneration paid / payable**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other rules framed thereunder read with Schedule V to the Companies Act, 2013 (including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof for the time being in force) (hereinafter referred to as the Act or the Rules, as the case may be) and the Articles of Association of the Company, and subject to such other approvals as may be required, consent, approval and / or ratification of the Members of the Company be and is hereby accorded to the excess remuneration paid to the former Managing Director, **Mr. Sanjay Mathur (DIN: 00029858)**, for the financial year ended 31 December 2020 to an amount of Rs. 256.30 lakh which exceeded the prescribed limit of 5% of the net profits of the Company laid under Section 197 read with Schedule V to the Act, in view of the inadequacy of profit computed under Section 198 of the Act.”

“RESOLVED FURTHER THAT consent, approval and / or ratification of the Members of the Company be and is hereby accorded under Section 197 read with Schedule V to the Act to the total amount of the managerial remuneration paid to the former Managing Director of the Company, in the financial year ended 31 December 2020 for an amount of Rs. 530.36 lakh which exceeded the limits of the net profits of the Company computed in the manner laid down in Section 198 and Schedule V of the Act.”

9. **Ratification of the remuneration payable to the Cost Auditor for the financial year ending on 31 December 2021**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration decided by the Board of Directors, based on the recommendation of the Audit Committee, be and is hereby ratified and confirmed for a sum of Rs. 4,00,000/- (Rupees four lakh only) plus Goods and Services Tax at the applicable rates and reimbursement of out of pocket expenses payable to Joshi Apte & Associates, Cost Accountants, Pune (Firm Registration No: 000240) who have been appointed by the Board of Directors of the Company, for conducting the audit of the cost records of the Company for the financial year ending on 31 December 2021.”

10. **Service of documents on the Members of the Company as sought by them**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014 and Companies (Registration Offices and Fees) Rules, 2014 (hereinafter referred to as the Act or the Rules, as the case may be) (including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof for the time being in force), and the Articles of Association, consent of the Company be and is hereby accorded to the Board of Directors of the Company to serve document(s) on Member(s) of the Company by post or registered post or speed post or courier or by delivering at their last registered address, or by such electronic or other mode prescribed under the Act as desired by Member(s), from time to time.”

“RESOLVED FURTHER THAT upon request of Member(s) for delivery of any document(s) through a particular mode, the Company do serve the same to the Member(s) through that particular mode and charge such fees as may be decided by the Board of Directors, from time to time, for the delivery of the documents in that particular mode.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

Registered Office:

Gat Nos. 922 & 923,
Sanaswadi, Taluka Shirur,
District Pune 412 208

By Order of the Board of Directors

Mahendra Kumar Dutia

Controller of Accounts & Company Secretary

Date: 6 May 2021

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') with respect to Special Businesses as set out above is annexed hereto. Further, disclosures as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') with respect to details of Directors who are proposed to be appointed / re-appointed is set out in the Explanatory Statement.
2. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote, provided the votes are not already cast by remote e-voting by the first holder.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, 15 June 2021 to Monday, 21 June 2021 (both days inclusive)** in terms of the provision of Section 91 of the Companies Act, 2013, for determining the entitlement of the members to the payment of final dividend, if declared at the Meeting.
4. The final dividend, if declared at the AGM, shall be paid/credited on or before **Tuesday, 20 July 2021** as under, to those Members of the Company:
 - i) whose names appear in the Company's Register of Members in respect of shares held in physical form, after giving effect to all valid share transmission request lodged with the Company on or before the close of business hours on **Monday, 14 June 2021**; and
 - ii) whose names appear as beneficial owners in respect of shares held in demat form, as per the details



furnished for this purpose by the National Securities Depository Limited and the Central Depository Services (India) Limited, as of the close of business hours on **Monday, 14 June 2021**.

5. Members holding shares in identical order of names in more than one folio, are requested to write to the Company's Registrar & Share Transfer Agent, Link Intime India Pvt. Ltd., at Block 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Pune - 411 001 (Phone No. 020-2616 1629 / 2616 0084, Email: pune@linkintime.co.in or umesh.sharma@linkintime.co.in) enclosing their share certificate(s) to enable the Company to consolidate their holdings in one single folio.
6. Members are advised to register their Income Tax PAN (including that of joint holders, if any), bank account details, any change in address and/or name, submit National Electronic Clearing Service (NECS) or Electronic Clearing Service (ECS) mandates, nominations, e-mail address, contact numbers, etc., if not so done, by writing to the Company's Registrar & Share Transfer Agents, Link Intime India Pvt. Ltd., at Block 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Pune - 411 001 (Phone No. 020-2616 1629 / 2616 0084, Email: pune@linkintime.co.in or umesh.sharma@linkintime.co.in) for providing efficient and better services. Members holding securities in dematerialised form are requested to intimate such changes to their respective depository participants.
7. Members should kindly note that transfer of securities (except in case of transmission or transposition of securities) in physical form has been discontinued in accordance with SEBI directive. However, transfers are effected if the securities are held in the dematerialised form with the depositories. Members are requested to dematerialise their physical securities if not yet done.
8. Members can avail of the facility of nomination in respect of securities held by them in physical form pursuant to the provision of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed form duly filled-in to Company's RTA. The nomination form can be downloaded from the website of the Company or can be obtained from the RTA. Members holding shares in dematerialised form may contact their respective Depository Participant (DP) for availing this facility.
9. **Transfer of Unclaimed/Unpaid dividends to the Investors Education and Protection Fund (IEPF):** Pursuant to Section 124 of the Companies Act, 2013 read with the relevant Rules, all unclaimed / unpaid dividend remaining unclaimed / unpaid with the Company on the expiry of 7 (seven) years from the date of its transfer to the unclaimed / unpaid dividend account, will be transferred by the Company to the IEPF Account set up by the Central Government. Members are requested to write to the Company and/or Share Transfer Agents, if any dividend warrants are not encashed so that fresh / re-validated warrants could be issued by the Company. Members can visit the Company's website www.fosecointia.com to check the details of their unclaimed dividend under the Investors' Section.
10. **Transfer Of Equity Shares To The Investors Education And Protection Fund (IEPF):** In compliance with the requirements laid down in Section 124(6) of the Companies Act, 2013 read with the 'Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016', the Company has transferred all equity shares in respect of which dividends had remained unpaid or unclaimed by the shareholders for seven consecutive years or more, to the account of the IEPF. However, the Shareholders are entitled to claim their shares including all the corporate benefits accruing on such shares, if any, from the IEPF Authority by submitting an online application in Form IEPF-5 and sending a physical copy of the Form IEPF-5 duly signed by all the joint shareholders, if any, as per the specimen signature recorded with the Company along with requisite documents enumerated in the Form IEPF-5, to the Company's RTA. The Rules and Form IEPF-5, as prescribed, for claiming back the shares, are available on the website of the IEPF www.iepf.gov.in. It may please be noted that no claim shall lie against the Company in respect of share(s) transferred to IEPF pursuant to the said Rules. The details of the shareholders whose equity shares had been transferred to the Demat Account of the IEPF is available on the website of the Company at **URL: fosecointia.com/View/Information_on_Transfer_of_Shares_to_IEPF.aspx**.
11. **Procedure for Attending the AGM Through Video Conference (VC) or Other Audio Visual Means (OAVM):**

In view of the ongoing COVID-19 pandemic and related social distancing norms to be followed, the Ministry of Corporate Affairs, Government of India (MCA), has allowed to conduct Annual General Meeting through VC or OAVM and has dispensed personal presence of the members at the Meeting. In this regard, the MCA has issued Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 (hereinafter these circulars collectively referred to as 'MCA Circulars') and SEBI has issued Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 ('SEBI Circular') and in compliance with the provisions of the Companies Act and SEBI Listing Regulations, the Company will conduct this AGM by providing two-way teleconferencing facility ('VC facility') to its Members through Central Depository Services (India) Limited (CDSL) e-voting platform the details of which are provided in **Point 13** below.

- (i) Members are encouraged to join the Meeting through Laptop/ desktop/ I-Pad for better experience and use Internet with a good speed to avoid any disturbance during the AGM. Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of glitches.
- (ii) Members may note that the VC facility allows at least first 1000 members to attend and participate at the AGM on first-come-first-served basis. However, the participation of members holding 2% or more shares, the Promoters, the Institutional Investors, the Directors, the Key Managerial Personnel, Statutory and Cost Auditors, etc., is not restricted on first-come-first-served basis. Members can login and join 30 minutes prior to the schedule time of meeting and window for joining shall be kept open till the expiry of 15 minutes after the schedule time.
- (iii) Members may note that since the meeting is being held through VC facility, attendance slip is not annexed to the AGM Notice.
- (iv) Route map for the venue of the meeting is not available since the meeting is being held through VC facility.
- (v) The physical attendance of Members has been dispensed with, since the AGM is being conducted through VC/OAVM, and therefore the provision for appointment of proxies by the members will not be available. Accordingly, the proxy form is not annexed to the AGM Notice.
- (vi) Members attending the AGM through VC facility shall be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
- (vii) The transcript of the meeting will be made available on the Company's website: www.fosecointia.com, as soon as it is available.

12. Member Queries with Respect to Annual Report or Businesses as Stated in the AGM Notice:

- (i) For smooth conduct of AGM proceedings, Members who wish to receive information with respect to Company's Annual Report for the year 2020 or have questions with regard to the financial statements and the matters to be placed at this AGM, can send their request by providing their name, demat account number / folio number from their registered e-mail ID to investor.grievance@vesuvius.com, at least 48 hours in advance before the start of meeting i.e. by Saturday, 19 June 2021, before 1430 Hours (IST).
- (ii) Members who wish to ask questions or express their views at the AGM may register themselves as a 'Speaker' by sending their request by providing their name, demat account number / folio number and mobile number from their registered e-mail ID to investor.grievance@vesuvius.com, at least 48 hours in advance before the start of meeting i.e. by Saturday, 19 June 2021, before 1430 Hours (IST). Those Members who have registered themselves as a speaker will only be allowed to speak at the Meeting.

Members may note that the Company reserves the right to restrict the number of questions and number of

speakers during the AGM, depending upon availability of time and for conducting the proceedings of the meeting smoothly.

13. **Instruction for Remote Electronic Voting (Remote E-Voting) and E-voting during AGM and joining meeting through VC/OAVM:**

I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Company is providing its Members facility to exercise their right to vote on Resolutions proposed to be considered at this AGM by electronic means which includes “remote e-voting” i.e, from a place other than venue of the AGM, provided by Central Depository Services (India) Limited (CDSL).

The instructions for members voting electronically are as under:

- (i) **The voting period begins on Friday, 18 June 2021 at 0900 Hours (IST) and ends on Sunday, 20 June 2021 at 1700 Hours (IST).** During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date being **Monday, 14 June 2021** will be eligible to vote by electronic means or at the AGM. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) To enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register with multiple **e-voting service providers (ESPs)**, for facilitating seamless authentication and also enhancing ease and convenience of participating in e-voting process.
- (iii) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.

Type of shareholders	Login Method
	<p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/ NSDL/ KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL	<p>1) Users already registered for NSDL IDeAS facility, may visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. Then enter User ID and Password. After successful authentication, user will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services on e-Voting page. Click on company name or e-Voting service provider. User will be re-directed to e-Voting service provider website for casting vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) User is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, user will be redirected to NSDL Depository site where e-Voting page is found. Click on company name or e-Voting service provider name and user will be redirected to e-Voting service provider website for casting vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	Users can also login using the login credentials of their demat account through their Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, they will be able to see e-Voting option. After clicking on e-Voting option, the user will be redirected to NSDL/CDSL Depository site after successful authentication, wherein they can see e-Voting feature. After clicking on company name or e-Voting service provider name, the user will be redirected to e-Voting service provider website for casting their vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Members holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Members who are first time user, must follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digits' alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company's RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. If both the details are not recorded with the depository or Company, please enter the Member ID / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(iv) **Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:**

- **For Physical shareholders:** Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
- **For Demat shareholders:** Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **Company/RTA email id**.

- (v) After entering these details appropriately, click on “SUBMIT” tab.
 - (vi) Members holding shares in physical form will then be directed to the Company selection screen. However, Members holding shares in demat form will be directed to ‘Password Creation’ menu wherein they are required to mandatorily enter their login and password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for Resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vii) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
 - (viii) Click on the EVSN of “FOSECO INDIA LIMITED” on which you choose to vote.
 - (ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
 - (xi) After selecting the Resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
 - (xii) Once you “CONFIRM” your vote on the Resolution, you shall not be allowed to change your vote subsequently or cast the vote again.
 - (xiii) You can also take out print of the votes cast by clicking on “Click here to print” option on the Voting page.
 - (xiv) If a Demat account holder has forgotten the changed login and password, he/she can enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - (xv) Members can also cast their vote by using CDSL's mobile app “**m-Voting**” available for android based mobiles. The m-Voting app can be downloaded from Google PlayStore. Apple and Windows phone users can download the app from the AppleStore and the Windows Phone Store respectively. Follow the instructions as prompted by the mobile app while voting, using your mobile.
 - (xvi) In case Members have any queries or issues regarding attending AGM and e-voting, they may refer to the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).
 - (xvii) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager (CDSL), Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.
- II. The facility of e-voting shall also be made available at the Meeting. Members attending the Meeting who have not already cast their vote by remote e-voting facility shall be able to exercise their right at the Meeting. If any votes are cast by the Member through the e-voting available during the AGM but the Member does not participate in the meeting through VC/OAVM facility, then the votes cast by such Member shall be



considered invalid as the facility of e-voting during the meeting is available only to the Member attending the meeting.

- III. The Members who have cast their vote by remote e-voting facility prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again at the Meeting. If a Member cast their vote again, then votes cast through remote e-voting facility shall prevail and voting at the Meeting will be treated invalid.
 - IV. The voting rights of the Members shall be in proportion to their share of the paid-up Equity Share Capital of the Company as on the cut-off date of Monday, 14 June 2021. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM. Any person who has ceased to be the Member of the Company before the cut-off date will not be entitled for remote e-voting or voting at the Meeting. Any person, who becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at pune@linkintime.co.in, ashok.gupta@linkintime.co.in or umesh.sharma@linkintime.co.in. However, if any Member is already registered with CDSL for e-voting then he/she can use his/her existing user ID and password / PIN for casting their vote.
14. **Inspection of Documents:** The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available electronically for inspection by the Members during the AGM. All documents referred to in the AGM Notice and Explanatory Statement will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of the ensuing Annual General Meeting between 1400 hours to 1600 hours (IST) on all working days (except Saturdays, Sundays and Holidays). Members seeking to inspect such documents can send an email to investor.grievance@vesuvius.com.
 15. **Electronic Dissemination of Notice & Annual Report:** Soft copy of this Annual Report and the AGM Notice are being sent to those Members whose e-mail IDs are registered with the Company/Depository Participant(s). Members who have not registered their e-mail IDs may get the same registered by sending an e-mail to the Company's Registrar, providing necessary details like Folio No./DPID, Client ID, name and address, scanned copy of the share certificate (front and back) or Client Master Copy, self-attested scanned copy of PAN card and AADHAAR Card.
 16. In accordance with the MCA Circulars and relaxation granted by SEBI Circular, hard copy of the Annual Report and the AGM Notice will neither be posted nor made available through courier / postal delivery. Members may also note that 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. BSE Limited and 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 CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) at www.evotingindia.com.
 17. **Corporate Representation:** Corporate members / institutional investors who are members are requested to send a duly certified copy of the Board Resolution / Authority Letter together with attested specimen signature of the duly authorised representative(s) by e-mail to helpdesk.evoting@cdslindia.com with a copy marked to umesh.sharma@linkintime.co.in and investor.grievance@vesuvius.com, from the registered email address, authorising their representative to participate in the remote e-voting and / or to attend and vote at the AGM, before the start of the e-voting / AGM, by clearing mentioning FOSECO INDIA LIMITED in the subject line.
 18. The Company has appointed Rajesh Karunakaran, Practicing Company Secretary (Membership No. FCS 7441, CP No. 6581), as the Scrutiniser, to scrutinise the e-voting process, in a fair and transparent manner.

19. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of the conclusion of the e-voting period, a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairperson or a person authorised by him in writing who shall countersign the same and shall declare the result of the voting forthwith.
20. The Results declared along with the Report of the Scrutiniser shall be placed on the website of the Company www.fosecointia.com and on the website of CDSL immediately after the declaration of result by the Chairperson or a person authorised by him in writing. The results shall also be communicated to the Stock Exchanges.

Annexure to the Notice of the Annual General Meeting

EXPLANATORY STATEMENTS AS REQUIRED BY SECTION 102 OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013, (hereinafter referred to as "the Act") the following Explanatory Statement setting out the material facts relating to the business mentioned under Item Nos. 4 and after of the accompanying Notice is annexed herewith.

Item No. 4

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors at its Meeting held on 28 December 2020, recommended the appointment of Dr. Ujjal Bhattacharjee (DIN: 08083932), as a Whole-time Executive Director to the Board of the Company, for a period of one year with effect from 1 January 2021 to 31 December 2021. In terms of Section 152 and 161 of the Companies Act, 2013 (the Act) read with the relevant Rules, he holds office as an Additional Director up to the date of the ensuing Annual General Meeting and being eligible, offers himself for appointment as a Director. Brief Profile along with other details of Dr. Ujjal Bhattacharjee is provided in the Report on Corporate Governance forming part of the Annual Report. Dr. Bhattacharjee will be liable to retire by rotation.

Dr. Bhattacharjee does not hold Directorship in any other Public Limited Listed Company in India except Foseco India Limited. He has submitted a declaration that he is not disqualified from being appointed as a Director as provided in Section 152(5) of the Act and that he is eligible for appointment. He does not hold any Equity Shares in the Company either by himself or on a beneficial basis for any persons in the Company. He is not related to any of the existing Directors of the Company.

In the opinion of the Board, Dr. Bhattacharjee fulfils the conditions specified in the Act and the rules framed thereunder for appointment as the Director. The Board also considers that his association would be of immense benefit to the Company and it is desirable to avail his services as a Director on the Board of the Company.

Accordingly, the Board recommends the Resolution set out in Item No. 4 of the Notice for the approval by the Members of the Company as an **Ordinary Resolution**.

Save and except, Dr. Ujjal Bhattacharjee, none of the Directors, Managers or any other key managerial personnel or any of their relatives, are concerned or interested, whether financially or otherwise, in this Resolution.

Item No. 5

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has approved the payment of remuneration to Dr. Bhattacharjee. The main terms and conditions of the appointment of Dr. Ujjal Bhattacharjee including his remuneration, is more particularly set out are as follows:

- I. SALARY: Rs. 33,45,600/- (Rupees Thirty three lakh forty five thousand six hundred only) per annum. The Board is authorised to determine the salary and grant such increases in salary and/or allowances by whatever name called from time-to-time on the recommendation of the Nomination and Remuneration Committee. The salary will be



subject to deduction of tax at source.

- II. The maximum remuneration payable to Dr. Ujjal Bhattacharjee will include basic salary, personal allowance and performance linked bonus and will be Rs. 1,48,00,000/- (Rupees one crore forty eight lakh only) per annum, without any further approval of the Company in a General Meeting, payable in monthly arrear.
- III. Performance Bonus: Eligibility for performance linked bonus will be as per the rules of the Company applicable to the Director.
- IV. Perquisites: Personal Accident Insurance and Family Health Insurance: As per the rules of the Company.
- V. Retirement Benefits:
 - a) Contribution to Provident Fund and Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 - b) Gratuity will be paid as per the Rules of the Company.
 - c) Encashment of leave.
 - d) Retirement and other benefits will be as per the Rules of the Company.

Notwithstanding anything mentioned herein, where in any financial year during his tenure as the Whole-time Executive Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites as per the limits prescribed under Section 197 read with Schedule V or other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any regulations, guidelines or instructions as may be promulgated or issued hereafter. He will not be entitled to any sitting fees for attending the Meeting of the Board or its Committees thereof.

Dr. Ujjal Bhattacharjee has confirmed that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board of Directors accordingly recommends passing of the Special Resolution as set out in Item no. 5 of this Notice, for the approval of the Members.

Save and except, Dr. Ujjal Bhattacharjee, none of the Directors, Managers or any other key managerial personnel or any of their relatives, are concerned or interested, whether financially or otherwise, in this Resolution.

A copy of the draft memorandum laying down the terms and condition of appointment of and remuneration paid/payable to Dr. Bhattacharjee, Whole-time Executive Director would be available electronically for inspection by the Members between 1400 hours and 1600 hours (IST) on all working days (except Saturdays, Sundays and Holidays) up to the date of the ensuing Annual General Meeting.

Item No. 6

Based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Directors at its Meeting held on 6 May 2021, recommended the appointment of Mr. Prasad Chavare (DIN: 08846863), as an Additional Director of the Company with effect from 6 May 2021. Later, with effect from 1 June 2021, Mr. Chavare will assume charge as the Managing Director and Chief Executive Officer of the Company. His appointment as the Managing Director and Chief Executive Officer of the Company (MD and CEO) will be for a period of 5 (five) years with effect from 1 June 2021 to 31 May 2026. In terms of Section 152 and 161 of the Companies Act, 2013 (the Act) read with the relevant Rules, he holds office as an Additional Director up to the date of the ensuing Annual General Meeting and being eligible, offers himself for appointment as a Director. Brief Profile along with other details of Mr. Prasad Chavare is provided in this Notice. Mr. Chavare will be liable to retire by rotation.

Mr. Prasad Chavare does not hold Directorship in any other Public Limited Listed Company in India except Foseco India Limited. He has submitted a declaration that he is not disqualified from being appointed as a Director as provided in Section 152(5) of the Act and that he is eligible for appointment. He does not hold any Equity Shares in the Company either by himself or on a beneficial basis for any persons in the Company. He is not related to any of the existing Directors of the Company.

In the opinion of the Board, Mr. Chavare fulfils the conditions specified in the Act and the rules framed thereunder for appointment as the MD and CEO. The Board also considers that his association would be of immense benefit to the Company and it is desirable to avail his services as the MD and CEO of the Company.

Accordingly, the Board recommends the Resolution set out in Item No. 6 of the Notice for the approval by the Members of the Company as an **Ordinary Resolution**.

Save and except, Mr. Prasad Chavare, none of the Directors, Managers or any other key managerial personnel or any of their relatives, are concerned or interested, whether financially or otherwise, in this Resolution.

Item No. 7

Mr. Prasad Chavare is appointed as the Managing Director and Chief Executive Officer of the Company for a period of 5 (five) years, with effect from 1 June 2021 to 31 May 2026. As a matter of good governance and prudent practice, the following additional information as required under Part II Section II of Schedule V to the Companies Act, 2013 is being furnished hereunder:

I. General Information:

- (1) **Nature of Industry:** The Company is engaged in the business of manufacturing of products finding its use in the automobile industries, foundries and aluminium industry etc.
- (2) **Date or expected date of commencement of commercial production:** The Company was incorporated on March 22, 1958 and the certificate for commencement of business was issued soon thereafter. The Company has been operational since last 62 years.
- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.
- (4) **Financial performance based on given indicators:** The following are the results of the Company for the last three years, at glance:

Financial Parameters	Amount in Rupees lakh		
	2018	2019	2020
Turnover	36215.58	32252.39	25115.04
Net Profit After Tax	3203.65	3453.29	1543.71
Amount of Equity Dividend paid out	2077.28	1924.85	319.32
Rate of Equity Dividend	250%	150%	150%



- (5) **Foreign investments or collaborations, if any:** The Company had neither any overseas foreign investments nor any foreign collaborations made as on 31 December 2020. However, there is foreign direct investments in the share capital of the Company. The Company have following types of foreign investors:

CATEGORY	Shareholding as on 31 December 2020	% of Total Paid-up Capital
Foreign Promoters	4788845	74.98
NRIs	21810	0.35
Foreign Companies	733226	11.48
Total	5543881	86.81

II. Information about the appointee:

- (1) **Background details:** Mr. Prasad Chavare was appointed a Director on the Board of Foseco India Limited on 6 May 2021. He will assume charge as a Managing Director and Chief Executive Officer with effect from 1 June 2021.

Mr. Chavare is a Bachelor of Engineering (Mechanical) from Pune University. He has done Master of Business Administration, Marketing Management from Pune University. Mr. Prasad Chavare has a 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. With an international stint of seven years and leading cross functional regional and global teams, he brings in his diverse experience in Business Turnaround and Business Operations Restructuring, Strong P&L Management, Sales, Marketing, Six Sigma and Supply Chain Management.

Mr. Chavare has spent a significant portion of his experience in the manufacturing and engineering sector with Cummins and has also worked with Hilti India. His last assignment was with Cummins Technologies India Private Limited as a whole-time director and a country leader, where he was leading the overall Cummins Turbocharger India business by managing multi-site manufacturing plants, building strong customer relationships, developing the overall business plans for profitable growth, driving safety and continuous improvement across all functions.

Mr. Chavare is not related to any of the existing Directors of the Company and does not hold any shares in the Company.

- (2) **Past remuneration:** This being the fresh appointment, there is no question of past remuneration.
- (3) **Recognition or awards:** Mr. Chavare is a certified Six Sigma green belt and is part of the CII's India CEO forum for Clean Air. He is committed to make a difference in the community by contributing to the educational field, coaching early-career and mid-career cross functional professionals and leading CSR initiatives. He is a well-recognized speaker in Leadership, Strategy, Marketing and Six Sigma. A strong believer in "Servant Leadership", Mr. Chavare is passionate about leadership development and creating right environment by implementing structured employee engagement initiatives to build the right culture based on strong foundational core values.
- (4) **Job profile and his suitability:** Considering the educational background and rich experience possessed by Mr. Chavare, the Company expects to be tremendously benefited during his tenure as also would continue to get the advantage of knowledge and experience in the years to come.
- (5) **Remuneration proposed:** The details of remuneration proposed to be paid to Mr. Chavare have been disclosed in the resolution.
- (6) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** The remuneration that is being proposed to be paid is fair and reasonable in line with the remuneration levels in the industry similar to that of the Company across the Country.

- (7) **Pecuniary relationship, directly or indirectly, with the Company, or relationship with the managerial personnel, if any:** Mr. Chavare is an Executive, Non-Independent Director not related to either the Promoter of the Company or any other Director of the Company. He does not hold any Equity Shares of the Company and do not have any pecuniary relationship, directly or indirectly with the Company, or with any other Director / Key Managerial Personnel of the Company.

III. Other Information:

- (1) **Reasons for inadequate profits, if any:** The Company has since inception shown a gradual and consistent increase in revenue and profits till the financial year 2019. The profitability declined in the following years due to decrease in sales volume on account of the prevailing uncertain economic environment and liquidity shortage in the wake of Covid-19 pandemic. The foundry industry is facing challenges due to ensuing credit crisis resulting in lack of availability of finances for new projects. There is slowdown resulting in reduced order execution, increase in working capital, steep rise in price of raw materials, liquidity constraints and overcapacity across the sector. This challenging environment resulted in a significant reduction in new orders for the Company thereby impacting its profitability.
- (2) **Steps taken / proposed to be taken for improvement:** The Company has been taking various steps to reduce costs and improve efficiencies to make its operations more profitable. During these challenging times, the Company is focusing on exercising better control over fixed cost.
- (3) **Expected increase in productivity and profits in measurable terms:** Since November 2020, the sales of the Company has improved month on month and it is expected that the foundry industry will bounce back to its pre-Covid levels in the year 2021. The Indian Government has embarked upon the world's biggest vaccination drive, which will bring the economy back to normal soon. While the market presents a huge volume opportunity, it requires a much greater focus on technology, cost efficiency, customer relations and a firm business strategy in place. Market dynamic is changing fast and presenting with newer opportunities, requiring organisations to be swift enough to respond and tap them. While Foseco India follows the strategy of "Solution Partnering" its presence across the value chain and in-house R&D capabilities places it well to tap the market. There is a greater need for the Company today to be quick enough to respond to the changing market dynamics. The Company helps its customers to improve their business performance wherever possible and in reducing environmental impact by using environmentally friendly products that conserves natural resources. It continually works to improve its Solutions offerings to deliver the Greatest Value to its customers.

In light of the above, the Board recommends the Resolution set out in Item No. 7 of the Notice for the approval by the Members of the Company as a **Special Resolution**.

Save and except Mr. Chavare, none of the Directors, Managers or any key managerial personnel or any of their relatives, are said to be concerned or interested, whether financially or otherwise, in this Resolution.

A copy of the draft memorandum laying down the terms and condition of appointment and remuneration paid to Mr. Chavare, would be available electronically for inspection by the Members between 1400 hours and 1600 hours (IST) on all working days (except Saturdays, Sundays and Holidays) up to the date of the ensuing Annual General Meeting.

Item No. 8

At the 62nd Annual General Meeting of the Company held on 26 April 2019, the Members had approved of the re-appointment of former Managing Director, Mr. Sanjay Mathur, for a period of three years including his remuneration.

In the wake of Covid-19 pandemic that hit India and the entire world in the year 2020, your Company's business was severely affected due to the country-wide lockdown. In such a situation, the former Managing Director and the senior



management team members voluntarily took a cut in part of their salary for a period of 6 months, with the aim of cutting down cost of the company. Despite such measures, amongst other measures taken by the Company, the profit of the Company was inadequate vis-à-vis the prescribed limit of 5% of the net profits calculated under Section 197 read with section 198 of the Companies Act, 2013 in respect of the remuneration paid to the former Managing Director.

The excess remuneration of Rs. 256.30 lakh paid to the former Managing Director can be allowed to be retained by him, if the Members accord their approval. As a matter of good governance and prudent practice, the following additional information as required under Part II Section II of Schedule V to the Companies Act, 2013 is being furnished hereunder:

I. General Information:

- (1) **Nature of Industry:** The Company is engaged in the business of manufacturing of products finding its use in the automobile industries, foundries and aluminium industry etc.
- (2) **Date or expected date of commencement of commercial production:** The Company was incorporated on March 22, 1958 and the certificate for commencement of business was issued soon thereafter. The Company has been operational since last 62 years.
- (3) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.
- (4) **Financial performance based on given indicators:** The following are the results of the Company for the last three years, at glance:

Financial Parameters	Amount in Rupees lakh		
	2018	2019	2020
Turnover	36215.58	32252.39	25115.04
Net Profit After Tax	3203.65	3453.29	1543.71
Amount of Equity Dividend paid out	2077.28	1924.85	319.32
Rate of Equity Dividend	250%	150%	150%

- (5) **Foreign investments or collaborations, if any:** The Company had neither any overseas foreign investments nor any foreign collaborations made as on 31 December 2020. However, there is foreign direct investments in the share capital of the Company. The Company have following types of foreign investors:

CATEGORY	Shareholding as on 31 December 2020	% of Total Paid-up Capital
Foreign Promoters	4788845	74.98
NRIs	21810	0.35
Foreign Companies	733226	11.48
Total	5543881	86.81

II. Information about the former Managing Director to whom the remuneration has been paid:

- (1) **Background details:** Mr. Sanjay Mathur was appointed the Managing Director on the Board of Foseco India Limited on 1st April 2007. He resigned as a Managing Director of the Company on 31 December 2020. Mr. Mathur is a Bachelor of Engineering (Chemical) from Punjab University, Chandigarh. He has done Advanced Management Programme from Melbourne Business School, Master of Marketing from Monash University, Australia and holds a Diploma in Financial Management (Dip FM) from ACCA, U.K. Mr. Sanjay Mathur have had wide-ranging experience in Marketing, Sales, Supply Chain and General Management in his career spanning over 32 years. During his directorship with the Company, he had set up several cost-savings projects that helped the Company in its growth journey. Mr. Mathur did not held Directorship with any other public limited listed entities in India, except Foseco India Limited. He was a Member each of the Stakeholders' Relationship Committee and the Corporate Social Responsibility Committee of the Board

of the Company. He was not related to any of the existing Directors of the Company and did not hold any shares in the Company except that his spouse held 50 shares of the Company as at the end of the year on 31 December 2020.

- (2) **Past remuneration:** In terms of the approval granted by the shareholders at the 62nd AGM held on 26 April 2019, Mr. Sanjay Mathur was re-appointed for a term of 3 years as a Managing Director from 1 April 2019 till 31 March 2022. Mr. Mathur was entitled to a maximum remuneration which included basic salary, personal allowance and performance linked bonus to the amount of Rs. 4,00,00,000/- per annum or limit prescribed under Section 197 read with Schedule V of the Companies Act, 2013. Apart from the remuneration in form of salary, Mr. Mathur was entitled to other privileges as are generally available to other employees of the Company.
- (3) **Recognition or awards:** Mr. Mathur has not received any recognition or awards during the year 2020.
- (4) **Job profile and his suitability:** As the Managing Director, Mr. Mathur rendered valuable services and provided strategic guidance in manufacturing, sales, marketing, project planning and execution. With the educational background and rich experience possessed by Mr. Mathur, the Company has tremendously benefited during his tenure.
- (5) **Excess Remuneration:** Members approval is being obtained for the excess remuneration that has already been paid to Mr. Mathur in the year 2020, in view of the profit of the Company being inadequate as mentioned hereinabove.
- (6) **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** Taking into account the contribution made by Mr. Mathur in the affairs of the Company, his academic background, rich experience and key role played by him and the efforts put in by him in improving the performance of the Company, year after year, the remuneration that has already been paid is fair and reasonable in line with the remuneration levels in the industry similar to that of the Company across the Country.
- (7) **Pecuniary relationship, directly or indirectly, with the Company, or relationship with the managerial personnel, if any:** Mr. Mathur was an Executive, Non-Independent Director not related to either the Promoter of the Company or any other Director of the Company. He was the Managing Director holding 50 Equity Shares of the Company through his wife as at the end of the financial year on 31 December 2020. Mr. Mathur did not have had any pecuniary relationship, directly or indirectly with the Company, or with any other Director / Key Managerial Personnel of the Company.

III. Other Information:

- (1) **Reasons for inadequate profits, if any:** The Company has since inception shown a gradual and consistent increase in revenue and profits till the financial year 2019. The profitability declined in the financial year 2020 due to decrease in sales volume on account of the prevailing uncertain economic environment and liquidity shortage in the wake of Covid-19 pandemic. The foundry industry was facing challenges due to ensuing credit crisis resulting in lack of availability of finances for new projects. There was a slowdown resulting in reduced order execution, increase in working capital, liquidity constraints and overcapacity across the sector. This challenging environment resulted in a significant reduction in new orders for the Company thereby impacting its profitability.
- (2) **Steps taken / proposed to be taken for improvement:** The Company has been taking various steps to reduce costs and improve efficiencies to make its operations more profitable. During these challenging times, the Company focused on exercising better control over fixed cost. The Company has significantly reduced its net working capital and maintained strong liquidity position in the second half of the financial year.



- (3) **Expected increase in productivity and profits in measurable terms:** Since November 2020, the sales of the Company has improved month on month and it is expected that the foundry industry will bounce back to its pre-Covid levels in the year 2021. The Indian Government has embarked upon the world's biggest vaccination drive, which will bring the economy back to normal soon. While the market presents a huge volume opportunity, it requires a much greater focus on technology, cost efficiency, customer relations and a firm business strategy in place. Market dynamic is changing fast and presenting with newer opportunities, requiring organisations to be swift enough to respond and tap them. While Foseco India follows the strategy of "Solution Partnering" its presence across the value chain and in-house R&D capabilities places it well to tap the market. There is a greater need for the Company today to be quick enough to respond to the changing market dynamics. The Company helps its customers to improve their business performance wherever possible and in reducing environmental impact by using environmentally friendly products that conserves natural resources. It continually works to improve its Solutions offerings to deliver the Greatest Value to its customers.

In light of the above, the Board recommends the Resolution set out in Item No. 8 of the Notice for the approval by the Members of the Company as a **Special Resolution**.

Save and except Mr. Sanjay Mathur, none of the Directors, Managers or any key managerial personnel or any of their relatives, are said to be concerned or interested, whether financially or otherwise, in this Resolution.

A copy of the draft memorandum laying down the terms and condition of appointment and remuneration paid to Mr. Mathur, former Managing Director, would be available electronically for inspection by the Members between 1400 hours and 1600 hours (IST) on all working days (except Saturdays, Sundays and Holidays) up to the date of the ensuing Annual General Meeting.

Item No. 9

The Board of Directors, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor – Joshi Apte & Associates, Cost Accountants for conducting the audit of the cost records of the Company for the financial year ending on 31 December 2021, at a remuneration of Rs. 4,00,000/- (Rupees four lakh only) plus GST at the applicable rates and reimbursement of out of pocket expenses.

Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, requires that the remuneration payable to the Cost Auditor shall be ratified by the Members of the Company. Accordingly, the Board recommends the Resolution set out in Item No. 9 of the Notice for the approval by the Members of the Company as an **Ordinary Resolution**.

None of the Directors, Managers or any key managerial personnel or any of their relatives, are concerned or interested, whether financially or otherwise, in this Resolution.

Item No. 10

Pursuant to the provisions of Section 20 of the Companies Act, 2013 ('the Act') and the Rules made thereunder, read with Article 181 of the Articles of Association of the Company, a document may be served on a Member of the Company either personally or by sending the same to him/her by post or by registered post or speed post or courier or by delivering it at his/her office or to his/her registered address or (if he/she has no registered address in India) to the address, if any, within India supplied by him/her to the Company for the service of notice to him/her, or by such electronic or other mode as may be prescribed. However, proviso to sub-section (2) of Section 20 of the Act states that a Member may request for delivery of any document through a particular mode, for which he/she shall pay such fees as may be determined by the company at its Annual General Meeting.

Further, listed companies are required to send financial statements:

- by electronic mode to such members whose shareholding is in Demat form and whose E-mail IDs are registered with Depository for communication purposes;
- where shareholding is held otherwise than by Demat form, to such members who has consented for receiving by electronic mode; and
- by despatch of physical copies through any recognised mode of delivery as specified under section 20 of the Act, in all other cases.

Accordingly, authority shall be provided to the Board of Directors to determine the fee payable, from time to time, by a Member requesting for delivery of any document through a particular mode.

In view of this, the Board of Directors recommends the resolution as set out in Item No. 10 of the Notice for approval by the Members of the Company by way of a **Special Resolution** relating to serving the documents including financial statements to the members of the Company in a requested mode.

None of the Directors, Managers or any key managerial personnel or any of their relatives, are concerned or interested, whether financially or otherwise, in this Resolution.

Registered Office:

Gat Nos. 922 & 923,
Sanaswadi, Taluka Shirur,
District Pune 412 208
Date: 6 May 2021

By Order of the Board of Directors

Mahendra Kumar Dutia

Controller of Accounts & Company Secretary

Details of Director(s) seeking appointment at the Annual General Meeting

Particulars	Karena Cancilleri
Date of Birth	13 February 1967
Date of Appointment	31 October 2019
Qualifications	<ul style="list-style-type: none"> Master's degree in Chemistry from University of Turin in Italy. MBA from the University of Strathclyde, Glasgow, United Kingdom.
Expertise in specific functional areas	<ul style="list-style-type: none"> She was previously VP Engineered Products for Beaulieu International Group, a global specialist in raw chemical materials and semi-finished engineered products for residential and commercial markets. Held management positions in companies such as Shell Chemicals, Kraton Corporation and FiberVisions.
Directorship held in all Public Limited Listed Companies	<ul style="list-style-type: none"> Foseco India Limited
Membership of the Committees in all the Public Limited Listed Companies (only Audit Committee and Stakeholders' Relationship Committee are considered) where the individual is a Director	Nil
Number of Shares held in the Company	Nil
Relationship with any of the existing Director(s) of the Company	No

Particulars	Ujjal Bhattacharjee
Date of Birth	11 September 1974
Date of Appointment	1 January 2021
Qualifications	<ul style="list-style-type: none"> • Ph.D. in Management, Global Advance Management Program from ISB-Kellogg School of Management (Northwestern University), • Master's in Personnel Management (Pune University), Bachelor of Science (Chemistry Honours) Ranchi University, • Strategic Management from JMAM, Japan, Diploma in Training & Development, Diploma in Labour Laws & Welfare
Expertise in specific functional areas	<ul style="list-style-type: none"> • Worked as Vice President Human Resources at Fresenius Kabi India (German Healthcare Company) • Worked with GKN Sinter Metals India part of GKN Plc., UK, based in Pune as HR Director, VP Operations & Managing Director.
Directorship held in all Public Limited Listed Companies	<ul style="list-style-type: none"> • Foseco India Limited
Membership of the Committees in all the Public Limited Listed Companies (only Audit Committee and Stakeholders' Relationship Committee are considered) where the individual is a Director	Nil
Number of Shares held in the Company	Nil
Relationship with any of the existing Director(s) of the Company	No

Particulars	Prasad Chavare
Date of Birth	20 June 1975
Date of Appointment	6 May 2021
Qualifications	<ul style="list-style-type: none"> • Bachelor of Engineering (Mechanical) from Pune University. • Master of Business Administration, Marketing Management from Pune University.
Expertise in specific functional areas	<ul style="list-style-type: none"> • He has spent a significant portion of his experience in the manufacturing and engineering sector with Cummins and has also worked with Hilti India. • His last assignment was with Cummins Technologies India Private Limited as a whole-time director and a country leader, where he was leading the overall Cummins Turbocharger India
Directorship held in all Public Limited Listed Companies	<ul style="list-style-type: none"> • Foseco India Limited
Membership of the Committees in all the Public Limited Listed Companies (only Audit Committee and Stakeholders' Relationship Committee are considered) where the individual is a Director	Nil
Number of Shares held in the Company	Nil
Relationship with any of the existing Director(s) of the Company	No

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the **64th Annual Report** on the business and operations of the Company together with the Audited Financial Statements for the year ended **31 December 2020**.

Financial Highlights

(All Figures in ₹ Lakhs)

Particulars	Accounting year ended 31-Dec-2020	Accounting year ended 31-Dec-2019
Total Revenue from Operations	25,115.04	32,252.39
Operating Expenses	(22,415.06)	(26,869.78)
Earnings before interest, tax, depreciation and amortisation (EBITDA)	2,699.98	5,382.61
Finance Cost	(0.07)	(0.13)
Depreciation and amortisation expense	(591.06)	(419.70)
Profit Before Tax (PBT)	2,108.85	4,962.78
Total Tax Expense	(565.17)	(1,509.49)
Profit for the Period (PAT)	1,543.68	3,453.29
Other Comprehensive Income, net of tax	(89.42)	(83.03)
Total Comprehensive Income for the Year	1,454.26	3,370.26
Balance brought forward from previous year	10,879.10	9,386.78
Recognition of Share Based Payment	--	46.91
Amount available for appropriation	12,333.36	12,803.95
Appropriations:		
Interim Dividends	319.32	957.97
Final Dividend	--	638.65
Tax on Dividends (Interim and Final)	--	328.23
Total Retained Earnings	12,014.04	10,879.10

Financial Year and Indian Accounting Standards (Ind-AS)

The Company follows the Calendar Year from 1st January to 31st December as its Financial Year for drawing up its accounts under the Indian Accounting Standards (Ind-AS).

Share Capital

As on 31 December 2020, the paid-up share capital of the Company stood at Rs. 638,64,590/-, consisting of 63,86,459 equity shares of face value of Rs. 10 fully paid-up. There was no change in the share capital during the year.



Dividend

During the year, one Interim Dividend was declared as given below:

Particulars of Dividend	1st Interim Dividend
Date of Declaration	22 October 2020
Record Date	30 October 2020
Dividend %	50%
Dividend per share	Rs. 5

Your Directors are pleased to recommend for approval of the Members, a Final Dividend of Rs. 10/- per share (i.e., 100%), on an Equity Share of Rs. 10/- each, for the financial year ended 31 December 2020, taking the total dividend to Rs. 15 per share (i.e., 150%) (previous year Rs. 15 per share i.e., 150%).

The Company paid out the total dividend for the financial year ended 31 December 2020, which aggregated to Rs. 319.32 Lakhs, as compared to Rs. 1924.85 Lakhs inclusive of dividend distribution tax, paid in the year 2019.

Report on Corporate Governance, Management Discussion & Analysis Report and Business Responsibility Report

Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015, a separate section titled Report on Corporate Governance together with a Certificate from the Practicing Company Secretary forms part of this Annual Report. The disclosure requirement laid down in Schedule V, Section II under Clause IV of the Companies Act, 2013 are covered in the Report of Corporate Governance under the title '**Remuneration Policy**'.

Management Discussion and Analysis Report and Business Responsibility Report are also included as a part of this Annual Report.

Subsidiaries

Your Company does not have any subsidiary / subsidiaries within the meaning of Section 2 of the Companies Act, 2013 ("Act"). Therefore, a statement under the provisions of Section 129(3) of the Act, containing salient features of the financial statements of the Company's subsidiaries in **Form AOC-1** is not attached as the same is not applicable in the case of your Company.

Public Deposits

The Company has not accepted any deposits from the public and accordingly no amount was outstanding as on the date of the Balance Sheet.

Extract of the Annual Return

As required under Section 92(3) read with Section 134(3)(a) of the Companies Act 2013, an extract of the Annual Return in Form No. MGT 9, at the financial year ended 31 December 2020, has been uploaded on the website of the Company at <http://fosecoindia.com/View/AnnualReturn.aspx>.

Delisting of the Company's Shares from the Bombay Stock Exchange

The Company's Equity Shares are listed on the Bombay Stock Exchange Limited (BSE Limited) and the National Stock Exchange of India Limited. The Board of Directors have proposed to delist the Company's Equity Shares from the BSE Limited. In compliance with the SEBI (Delisting of Shares) Regulations, 2009, as amended from time to time, the Company has made an application for delisting from the BSE Limited. The matter is under progress. However, the Company's Equity Shares will continue to remain listed on the National Stock Exchange of India Limited, which provides nation-wide trading terminals.

Number of Meetings of the Board

During the year 2020, five meetings of the Board of Directors were held on the following dates: 29 January 2020, 27 May 2020, 23 July 2020, 22 October 2020 and 28 December 2020. Since March 2020, the meetings were held virtually through video-conferencing due to the Covid 19 pandemic. The information on the meetings is given in the Report on Corporate Governance that forms part of this Annual Report. The intervening gap between any two meetings was within the period of 120 days prescribed by the Companies Act, 2013.

Directors and Key Managerial Personnel

Mr. Sanjay Mathur, Managing Director, resigned from the employment and also from the Directorship of the Company at the close of work on 31 December 2020 as he expressed a desire to pursue his other interests and passion after his departure from the Company. The Board of Directors hereby confirm that there was no other material reason than that provided herein for his resignation. The Board places on record its appreciation of the valuable contributions made by him during his long tenure as Managing Director of the Company.

During the year under review, the managerial remuneration paid to the Managing Director exceeded the prescribed limit laid down under Section 197 read with Schedule V to the Companies Act, 2013, in view of inadequate profit when computed under Section 198 of the Act, owing to the Covid-19 pandemic that affected the business of the Company for some time. Accordingly, Shareholders approval is being sought at the ensuing Annual General Meeting, for the excess remuneration paid to Mr. Mathur to be retained by him.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed **Dr. Ujjal Bhattacharjee (DIN 08083932)** as an Additional Director of the Company and consequently as a Whole-time Executive Director with effect from 1 January 2021, pursuant to the provisions of Section 152 and 161 of the Companies Act 2013. He shall hold office up to the date of the next Annual General Meeting (AGM) and his appointment will be subject to the approval of the Shareholders of the Company at the forthcoming AGM. He will be liable to retire by rotation. Additionally, the Board of Directors has approved of the remuneration payable to Dr. Ujjal Bhattacharjee for the year ending on 31 December 2021, which is subject to the approval of the Shareholders of the Company at the forthcoming AGM of the Company.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company has appointed **Mr. Prasad Chavare (DIN: 08846863)** as an Additional Director of the Company on 6 May 2021 and subsequently he will assume charge as a Managing Director and Chief Executive Officer for a period of 5 years, with effect from 1 June 2021 to 31 May 2026, pursuant to the provisions of Section 152 and 161 of the Companies Act 2013. The Board of Directors has also approved the remuneration payable to Mr. Chavare. He shall hold office up to the date of the next Annual General Meeting (AGM) and his appointment and remuneration will be subject to the approval of the Shareholders of the Company at the said AGM. He will be liable to retire by rotation.

In terms of the provisions of the Companies Act, 2013 and the Articles of Association of the Company, **Ms. Karena Cancilleri (DIN 0008598568)**, a Non-Executive and Non-Independent Director on the Board of the Company, who is a nominee of the Promoter Company – Foseco Overseas Limited, retires by rotation at the ensuing Annual General Meeting

and being eligible, offers herself for re-appointment. She has submitted a declaration that she is eligible for appointment. The Board recommends her re-appointment. A brief resume and other relevant details of her re-appointment is provided in the Corporate Governance Report which forms part of this Annual Report.

The Board of Directors hereby affirms that none of the Directors on the Board of the Company are debarred from holding the Office of Director by virtue of any order passed by SEBI or any other statutory authority and are therefore not disqualified to be appointed as the Directors. Further, pursuant to Regulation 34(3) and Schedule V, Para C, Clause 10(i) of the SEBI (LODR), the practicing Company Secretary has issued a certificate to the Company to this effect which is annexed with this Report marked Annexure A. All the above appointments, re-appointments and/or remuneration form part of the Notice of the Annual General Meeting and the Resolutions are recommended for your approval. Profile of these Directors are given in the Report on Corporate Governance.

During the year, no Non-Executive Director except Mr. Ajit Shah and the Nominee Directors appointed by the Promoter Company has had any pecuniary relationship or transactions with the Company.

Mr. R Umesh, Chief Financial Officer and Mr. Mahendra Kumar Dutia, Controller of Accounts and Company Secretary are designated as the Key Managerial Personnel of the Company. Mr. Sanjay Mathur, Managing Director, was the Key Managerial Personnel of the Company till 31 December 2020. Dr. Ujjal Bhattacharjee, Additional Director, has been appointed the Key Managerial Personnel of the Company since 1 January 2021.

Rule 5 (iii)(a) of the Companies (Accounts) Amendment Rules, 2019 is not applicable as the Company did not have any requirement of appointment of any Independent Director during the year.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act 2013, your Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed with no material departures;
- b) they 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 the end of the financial year and of the profit of the Company for the same period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down Internal Financial Controls in the Company that are adequate and are operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that these are adequate and are operating effectively;

Policy on Directors' Appointment and Remuneration

The policy of the Company on Directors' Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided in Section 178(3) of the Companies Act 2013, adopted by the Board is covered in the Report on Corporate Governance which forms part of this Annual Report.

Performance Evaluation of the Directors

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation by the Board of its own performance and that of the various Committees of the Board and the individual Directors including the Chairperson. The framework of performance evaluation of the Directors captures the following points:

- Key attributes of the Independent Directors that justify his / her extension / continuation on the Board of the Company;
- Participation of the Directors in the Board proceedings and his / her effectiveness;

More details on this subject is provided in the Report on Corporate Governance.

Composition of the Audit Committee

The Audit Committee comprises Mr. Ajit Shah as its Chairperson, Mr. Ravi Moti Kirpalani and Ms. Anita Belani, all of whom are Independent Directors and Mr. Guy Young as a Non-Executive, Non-Independent Member. More details on the Committee are given in the Report on Corporate Governance.

Adequacy of Internal Financial Controls (IFC)

The Company has an Internal Financial Control System, commensurate with the size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations. The internal controls are designed in a manner that facilitates achievement of three-pronged objectives viz., i) support the achievement of the Company's business objectives, ii) mitigate risks to acceptable level, and iii) support sound decision making and good governance.

The adequacy and effectiveness of the internal financial controls are demonstrated by following the procedures as set out below: -

- i. The internal controls have been designed to provide reasonable assurance with regard to recording and producing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance with corporate policies. The Company has a well-defined delegation of power with authority limits for approving revenue as-well-as expenditure. Processes for formulating and reviewing annual and long-term business plans have been laid down.
- ii. The Audit Committee periodically deliberates on the operations of the Company with the Members of the Management. It also sought the views of Price Waterhouse Chartered Accountants LLP, who are the Statutory Auditors, on the internal financial control systems. The extensive audit on the internal financial control systems was done by P G Bhagwat, Chartered Accountants.
- iii. The Company has appointed P G Bhagwat, Chartered Accountants, as Internal Auditors of the Company. The Audit Committee in consultation with the Internal Auditors formulates the audit plan, scope, functioning and methodology, which are reviewed every year, in a manner that they cover all areas of operation. The Internal Audit covers inter alia, monitoring and evaluating the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations and adequacy of insurance coverage of all assets. Periodical Internal Audit Reports are submitted to the Audit Committee, to ensure complete independence, which are then extensively deliberated at every Audit Committee Meeting in the presence of the Internal and External Auditors. Based on the review by the Audit Committee, process owners undertake corrective actions in their respective areas and consider suggestions for improvement. The Internal Auditors have expressed that the internal control system in the Company is robust and effective.
- iv. The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems are adequate and operating effectively.
- v. The Company's financial records are maintained on the ERP System which is effective and adequate in line with the size of its operations.

Particulars of Loans, Investments, Guarantees and Securities

Your Company has neither advanced any loans, nor made any investments or given any guarantees and / or provided any securities to anybody, whether directly or indirectly, within the meaning of Section 185 of the Companies Act 2013. Hence, there are no details worth providing.



Fund raising by issuance of debt securities, if any

Pursuant to SEBI Circular No. SEBI/HO/DDRS/CIR/P/2018/144 dated 26 November 2018, the Directors confirm that your Company is not identified as a “Large Corporate” as per the framework provided in the said Circular. Moreover, your Company has not raised any fund by issuance of debt securities.

Particulars of Contracts or Arrangements with Related Parties

Under the Companies Act 2013, all contracts / arrangements / transactions entered into by the Company during the financial year ended 31 December 2020 with related parties were on an arm’s length basis and were in the ordinary course of business. Moreover, none of the transaction were material in nature, and therefore, Members’ approval was not required to be obtained, in accordance with the Policy of the Company on materiality of related party transactions. Thus, provisions of Sections 134(3)(h) and 188(1) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 are not applicable to the Company and therefore, **Form No. AOC-2** has not been attached.

In compliance with the requirements laid down in the SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015 [SEBI (LODR)], all related party transactions were placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee had been obtained for transactions which were foreseeable and of repetitive nature. All transactions entered into with the related parties are presented to the Audit Committee by way of a statement giving details of all transactions.

The Policy on materiality of Related Party Transactions and dealing with Related Parties as approved by the Board has been uploaded on the Company’s website at **URL: FosecoIndia/View/policies.aspx**. Your Directors draw attention of the Members to Note 29 attached to the financial statement which sets out related party disclosures.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Information under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is given in **Annexure B** to this Report.

Particulars of Employees and Related Disclosures

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and also the Statement containing particulars of employees as required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 is provided in **Annexure C** forming part of this Report.

Auditors and Auditors’ Report

Statutory Auditors

Price Waterhouse Chartered Accountants LLP (Firm registration no. - 012754N / N500016), Chartered Accountants, 7th Floor, Business Bay, Tower A, Wing - 1, Airport Road, Yerwada, Pune – 411006 are the Statutory Auditors of the Company. They will continue to hold office as the Statutory Auditors of the Company until the conclusion of the 65th Annual General Meeting to be held in the year 2022.

The observations of the Statutory Auditors on the annual financial statement for the year ended 31 December 2020 including the relevant notes to the financial statement are self-explanatory and therefore do not call for any further comments. The Auditors’ Report does not contain any qualification, reservation or adverse remark or disclaimer. The Auditors’ Report has been issued with unmodified opinion on the annual financial results of the Company.

Report on Frauds, if any

During the year under review, no incidence of any fraud has occurred against the Company by its officers or employees. Neither the Audit Committee of the Board, nor the Board of the Company has received any report involving any fraud, from the Statutory Auditors of the Company. As such, there is nothing to report by the Board, as required under Section 134 (3) (ca) of the Companies Act, 2013.

Cost Auditors

Joshi Apte & Associates, Cost Accountants, were appointed as the Cost Auditors of the Company to examine the Cost Records and submit the Cost Audit Report. The Company has maintained the required cost accounting records as per the Companies (Cost Records and Audit) Rules, 2014 and is in compliance therewith. The Cost Audit Report in Form CRA-4 relating to the year ended 31 December 2019 has already been filed with the Ministry of Corporate Affairs.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, Rajesh Karunakaran & Co., Practicing Company Secretary (FCS 7441; CP No. 6581), Pune, was appointed to conduct a secretarial audit of the Company's Secretarial and related records for the year ended 31 December 2020. The Practicing Company Secretary has submitted the Secretarial Audit Report which is annexed as **Annexure D** to this Report. The same does not contain any qualification, reservation or adverse remark.

In addition to the above report, a Report on Secretarial Compliance has been submitted by Rajesh Karunakaran & Co. There are no observations, reservations or qualifications in the said Report. The Secretarial Compliance Report is annexed as **Annexure E** to this Report.

Secretarial Standards of the Institute of Company Secretaries of India (ICSI)

The Company has complied with the requirements prescribed under the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

Significant and Material Orders passed by the Regulators or Courts

There are no significant and material orders passed by any Regulators or Courts which would impact the going concern status of the Company and its future operations.

Vigil Mechanism / Whistle Blower Policy

The Company has established a vigil mechanism (which incorporates a whistle blower policy) for Directors, employees and business associates, to report their genuine concerns. The details of the same are provided in the Report on Corporate Governance forming part of this Annual Report. The Policy is also available on the Company's website at **URL: FosecoIndia/View/policies.aspx**.

Policies of the Company

Your Company has posted the following documents on its website at **URL: FosecoIndia/View/policies.aspx**.

- Code of Conduct;
- Familiarisation Programme for the benefit of the Independent Directors;
- Archival Policy;
- Policy for Determination of Material Events or Information;
- Policy of Preservation of Documents.



Risk Management Framework

The Board regularly monitors and reviews the risk management strategy of the Company and ensures the effectiveness of its implementation. Your Directors take all necessary steps towards mitigation of any elements of risk, which in their opinion, can impact the Company's survival.

All the identified risks are managed through review of business parameters by the Management, and the Board of Directors are informed of the risks and concerns.

Corporate Social Responsibility (CSR)

The Board of your Company has constituted a CSR Committee. As on 31 December 2020, the Committee comprises three Directors. A brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure F** of this Report in the prescribed format of the Companies (Corporate Social Responsibility Policy) Rules, 2014. The CSR Policy is available on the website of the Company at **URL: FosecoIndia/View/policies.aspx**.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Company has in place a Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Your Directors have to report that, during the year under review, neither any complaints of sexual harassment were received by it from the ICC, nor were there any complaints relating thereto which required any disposal thereof.

Acknowledgements

Employee relations throughout the Company were harmonious. Your Board of Directors would like to place on record their sincere appreciation for the wholehearted support and contributions made by all the employees of the Company as well as customers, suppliers, bankers, stakeholders and other authorities. The Directors also thank the Central and State Governments/Government Departments/Agencies and the parent Company for their co-operation and valuable support.

For and on behalf of the Board of Directors

Ravi Moti Kirpalani
Chairperson
DIN: 02613688

Place: Gurgaon
Date: 6 May 2021

ANNEXURE A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To:

The Members,

Foseco India Limited

Gat No. 922 and 923, Sanaswadi,

Tal: Shirur, District Pune – 412208

Maharashtra, India

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Foseco India Limited (Company) having CIN L24294PN1958PLC011052 and having its registered office at Gat No. 922 and 923 , Sanaswadi, Tal: Shirur , District Pune – 412208 Maharashtra, India (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below as at the Financial Year ended 31st December, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment
1.	RAVI MOTI KIRPALANI	02613688	26 October 2018
2.	AJIT CHINUBHAI SHAH	02396765	17 October 2013
3.	SANJAY MATHUR *	00029858	01 April 2011
4.	ANITA BELANI	01532511	21 June 2019
5.	GUY FRANKLIN YOUNG	08334721	25 January 2019
6.	KARENA CANCELLERI	08598568	31 October 2019

* Ceased to be a Director of the Company at the close of work on 31 December 2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an



assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Rajesh Karunakaran & Co.,
Company Secretaries

Rajesh Karunakaran
Company Secretary
C.P. -6581
FCS No. 7441
UDIN-F007441B002722120
Pune, 10 February 2021

ANNEXURE B

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

A) Conservation of energy

1. Steps taken or impact on conservation of energy:

The Company has constantly been emphasising on optimisation of energy consumption in every possible area in its units. Various avenues are being explored at periodic interval and after careful analysis and planning, measures are being initiated to minimise the consumption of energy.

During the year under review, the following measures were initiated/adopted for conservation and optimum utilisation of energy:

- Optimization of the air compressor energy through air pressure reduction to optimum level of plant system requirements. Reduced the compressed air pressure by 1 bar saved 4-5% energy.
- Replaced standard efficiency 50HP electrical motor (efficiency 91.3%) for Oven blower with premium efficiency IE3 (efficiency 94.7%) motor.
- Used servo drives motor and variable frequency drives (VFD) for new Precision Sleeve Manufacturing (PSM) machine in the design phase.
- Maintaining power factor of the electrical system close to unity. It helps in reducing reactive power losses in the system and the demand charges.

2. Steps taken by the Company for utilising alternate source of energy:

- Feasibility study has been done and vendor identified for installation of solar power plant in the units of the Company at Pune and Puducherry. The likely effect will be evident in the year 2021.

3. Capital investment on energy conservation equipment:

- Premium efficiency electrical motor
- Servo and variable frequency drives

B) Technology Absorption

The following efforts are being made in technology absorption:

Research & Development (R&D)

1. Specific areas in which R&D is carried out by the Company

The Company carried out R&D in the following areas: -

(a) Coatings:

- Continuous work in improving Coating Formulation absorbed from Foseco International Technical team for automotive casting passage cleanliness.
- INSTA technology for coatings: In order to reduce cost and improve health, safety and environmental benefits.
- Fast Coatings Drying (FCD) technology: Training received from Foseco International technical team for reduced drying time of coatings – work is in progress.

(b) Metal Filtration: (Import substitution)

Manufacturing process setup is established in India for manufacturing of Sedex filters and continuous work being done for maintaining quality and productivity,

2. Benefits derived as a result of the above R&D

Customers continued to benefit from the Company's range of products designed to improve quality, productivity, efficiency and the environment, which translated into the following improvements:

Product Improvement: Productivity improvement is done due to New Methoding solutions with respect to Feeding system product.

Cost Reduction/Pollution Control: The INSTA range of coatings has reduced the usage of plastic buckets and sufficient cost benefit for both the Company and the Customer.

Product Indigenisation: Major part of Filter Raw materials are indigenized, resulted in significant cost advantage without compromising on quality.

3. In case of imported technology (imported during the last three years) the following information may be furnished:

(a) Details of the technology imported:

Ferrous Coating – Manufacturing technology & formulation for special coatings to improve passage cleanliness and fast coatings drying.

Filter – Manufacture and process control of Sedex Filters.

(b) Year of Import:

Ferrous Coating – 2019

Filters – 2018

(c) Whether the technology has been fully absorbed:

Ferrous Coating – Technology fully absorbed for Automotive coating, but for Fast Coatings Drying it is work in progress.

Filters – Yes

(d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof: Validation trials at customer end are in progress for Fast Coatings Drying.



4. Expenditure incurred on Research and Development:
- a) Capital : Rs. 0.55 Lakh (previous year Rs. 11.56 Lakh)
 - b) Revenue : Rs. 94.02 Lakh (previous year Rs. 86.73 Lakh)
 - c) **Total** : **Rs. 94.57 Lakh** (previous year Rs. 98.29 Lakh)

C) Foreign exchange earnings and outgo during the year

		Current Year (in Rs. Lakhs)	Previous Year (in Rs. Lakhs)
a)	Total Foreign exchange earned in terms of actual inflows	2,053.40	2,644.64
b)	Total Foreign exchange outgo in terms of actual outflows	4,424.93	5,258.88

For and on behalf of the Board of Directors

Ravi Moti Kirpalani

Chairperson

DIN: 02613688

Place: Gurgaon

Date: 6 May 2021

ANNEXURE C

Particulars of Employees and Related Disclosures

Information pursuant to Section 197(12) of Companies Act, 2013 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a) The ratio of the remuneration of each Director and Key Managerial Personnel (KMP) to the median remuneration of the employees of the Company for the financial year ended 31 December 2020:

Name of the Director / KMP	Designation	Ratio of the remuneration of each Director to the median remuneration	% increase in remuneration in the financial year
Ajit Shah	Non-Executive Director	1.71	0.66%
Ravi Moti Kirpalani	Non-Executive Director	1.79	66.49%
Anita Belani	Non-Executive Director	1.34	243.44%
Indira Parikh	Non-Executive Director	0.19	-81.25%
Guy Franklin Young	Non-Executive Director	-	0.00%
Karena Cancilleri	Non-Executive Director	-	0.00%
Sanjay Mathur	Executive Director	56.83	59.13%
R Umesh	Chief Financial Officer	10.20	-9.04%
Mahendra Kumar Dutia	Company Secretary	3.70	-1.10%

Note: Non-Executive Directors other than the Independent Directors do not receive any remuneration, sitting fees or commission from the Company.

- b) The median remuneration of the employees of the Company during the financial year ended 31 December 2020 was **Rs. 8.95 Lakhs** (previous year **Rs. 8.54 Lakhs**).
- c) The percentage increase in the median remuneration of employees in the financial year was **4.81%** (previous year **9.63%**)
- d) The number of permanent employees on the rolls of the Company: **203** as on 31 December 2020 (previous year **215**).
- e) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

Place: Gurgaon
Date: 6 May 2021

Ravi Kirpalani
Chairperson
DIN: 02613688

Statement of Particulars of Employees pursuant to the provisions of Rule 5(2) & 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31 December, 2020

Sr. No.	Name	Designation	Gross Remuneration (Rs. Lakhs)	Qualifications	Experience (Years)	Date of Commencement of Employment	Age	Last Employment held Name of the Company	%age of Equity Share Held
Employed throughout the year									
1	Sanjay Mathur	Managing Director	508.66	B.E. (Chemical), Master of Marketing, Australia Advanced Management Programme, Australia DipFM, ACCA, UK	33	21-Apr-2007	56	Pennzoil Quaker State India Ltd.	Negligible
2	Vineet Thakar	Sales, Marketing & Technology - Director	124.91	B.Tech (Aerospace), MBA, USA	23	03-Dec-2018	49	Shell India Markets Pvt. Ltd.	
3	R Umesh	Chief Financial Officer	91.26	B. Com., L.L.B., F.C.A.	33	12-Aug-04	58	GE Power Controls India Pvt. Ltd.	Negligible
4	Daljit Banga	Operations Director - Foundry India & Asean	90.53	B.E in Mechanical Engineering, Executive General Management Program, IIM Bangalore	26	11-Jan-2019	47	GE Oil & Gas India Limited	
5	Ujjal Bhattacharjee	HR Director - India & Asean	80.92	Doctor of Philosophy (Ph.D.) in Management, MPM, B.Sc (Chemistry Honors), Dip. Labour Law & Welfare, Dip. Training & Development	21	16-Sep-2019	46	GKN Sinter Metals India	
6	Shyam G Kalambi	IT Regional Manager - India, SEA & ME	52.72	B.E in Mechanical Engineering, MMS Finance	33	25-Jul-1987	59	----	Negligible
7	Archis R Patankar	Head Marketing & Technology Ferrous	52.14	B.E in Metallurgy, PGDBA	19	03-May-2004	43	Orind International	
8	K Kingsley Arulraj	Manager Strategic Initiatives	48.68	B.E in Mechanical Engineering, PGDMM, EGMP	30	01-Feb-1999	52	ISMT Ltd	
9	Shrikant A Bhat	Head Non-Ferrous Foundry	45.59	B.E in Metallurgy	30	05-Jan-2009	54	ChemTrend Chemicals P Ltd	
10	Ajeet M Patwardhan	Head - Commercial	42.30	B.E in Mechanical Engineering, MBA Finance and MBA in Material Management	25	12-Jul-2012	51	Birla Group	Negligible

Note :

- All appointments are / were contractual, as per the rules of the Company.
- "Gross Remuneration" includes salary, bonus, allowances, leave travel allowance, employer's contribution to provident fund and superannuation fund, personal accident insurance premium and mediclaim premium, wherever applicable.
- As the future liability for the gratuity and leave encashment is provided on an actuarial basis for the Company as a whole, the amount pertaining to the individual employee is not ascertainable and therefore, not included above.
- None of the employees listed above is a relative of any Director of the Company.
- None of the employees listed above were in receipt of remuneration in that year, which in the aggregate, was in excess of the remuneration drawn by the Managing Director and holds, either by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company within the meaning of Rule 5(2)(iii) of the aforesaid Rules.

For and on behalf of the Board of Directors

Ravi Moti Kirpalani
Chairperson
DIN: 02613688

Place: Gurgaon
Date : 6 May 2021

ANNEXURE D

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Foseco India Limited
Gat No. 922 and 923, Sanaswadi,
Tal: Shirur, District Pune - 412208
Maharashtra, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Foseco India Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st December 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st December 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable for the Audit Period:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (d) Other laws applicable specifically to the Company namely:
 - (i) Manufacture Storage and Import of Hazardous Chemical Rules 1989 as amended;
 - (ii) Environment Protection Act, 1986;



- (iii) Public Liability Insurance Act ,1991 as amended;
- (iv) Explosives Act 1889
- (v) Legal Metrology Act, 2009 and the Packaged Commodities Rules 2011
- (vi) Food Safety Standards Act, 2006 and Rules 2011 with allied Rules and Regulations

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors in respect of schedule of the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views if any are captured and recorded as part of the minutes. During the year under Audit no specific instances of dissent have been recorded in the Minutes.

I further report that based on review of compliance mechanism established by the Company and on the basis of compliance certificates issued by respective officials and taken on record by the Board of Directors at their meetings that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I report further that there are no specific events /major decisions or activities undertaken in pursuance of the above laws, rules and regulations, guidelines, etc., during the financial year ended 31st December 2020, having a major bearing on the Company affairs.

**For RAJESH KARUNAKARAN & CO.,
COMPANY SECRETARIES**

RAJESH KARUNAKARAN
COMPANY SECRETARY
FCS No. 7441/CP No. 6581
UDIN - F007441B002721559
Pune, 10 February 2021

Note : This report is to be read with my letter of even date , which is appended below and forms an integral part thereof.

To,
The Members,
Foseco India Limited
Gat No. 922 and 923, Sanaswadi,
Tal: Shirur, District Pune – 412208
Maharashtra, India

My Secretarial Audit Report of even date is to be read along with this letter.

Management Responsibility

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on audits.

Auditors Responsibility

1. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the fairness of the contents of the Secretarial records. The verification was done on test basis to ensure that facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
2. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
3. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis to the extent applicable to the Company.

Disclaimer

5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For RAJESH KARUNAKARAN & CO.,
COMPANY SECRETARIES
RAJESH KARUNAKARAN
COMPANY SECRETARY
FCS No. 7441/CP No. 6581
UDIN-F007441B002721559
Pune, 10 February 2021**



ANNEXURE E

Secretarial compliance report of Foseco India Limited for the year ended 31st December 2020 – Pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

I Rajesh Karunakaran, Proprietor of Rajesh Karunakaran & Co., Company Secretaries, Pune has examined:

- (a) all the documents and records made available to me and explanation provided by Foseco India Limited (“the listed entity”),
- (b) the filings/submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st December 2020 (“Review Period”) in respect of compliance with the provisions of :
 - (a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and circulars/ guidelines issued thereunder;
- (d) SEBI (Depositories and Participants) Regulations, 1996;
- (e) SEBI (Depositories and Participants) Regulations, 2018

and based on the above examination, I hereby report that, during the Review Period i.e from 1st January 2020 to 31st December 2020:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder,
- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in so far as it appears from my examination of those records.

**For RAJESH KARUNAKARAN & CO.,
COMPANY SECRETARIES**

**RAJESH KARUNAKARAN
COMPANY SECRETARY
FCS No. 7441/CP No. 6581
Pune, 10 February 2021
UDIN: F007441B002722001**

ANNEXURE F

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year ended 31 December 2020

A. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

The CSR Policy aims at:

- **Adopting appropriate strategies and projects for the welfare of the people and society at large, who are the ultimate beneficiaries.**
- **Making the project sustainable i.e., taking all decisions keeping the society and the environment in mind.**
- **Practicing its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders, including shareholders, customers, employees, suppliers, business partners, local communities and other organisations. The Company is responsible to continuously enhance shareholders' wealth; it is also committed to its other stakeholders to conduct its business in an accountable manner that is aimed at sustainable development and inclusive growth.**
- **Committed towards aligning with nature by adopting eco-friendly practices; pursue initiatives related to quality management, environment preservation by encouraging conservative / judicious use of natural resources and social awareness.**
- **Undertake proactive engagement with stakeholders to actively contribute to the socioeconomic development of the periphery/community in which it operates.**
- **Using environment friendly and safe processes in production.**
- **Create a positive footprint within the society by creating inclusive and enabling infrastructure/ environment for liveable communities.**

The CSR Policy has been placed on the Company's website at: <http://www.fosecoindia.com>.

B. Composition of the CSR Committee as on 31 December 2020:

Name	Designation
Anita Belani	Chairperson
Ajit Shah	Member
Ravi Moti Kirpalani	Member

C. Average net profit of the Company for last three financial years: **The average net profit of the Company for the last three financial years as calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 was Rs. 5010.87 Lakhs**

D. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): **Rs. 100.22 Lakhs**

E. Details of CSR spent during the financial year:

a) Total amount to be spent for the financial year	Rs. 100.22 Lakhs
b) Total amount spent during the financial year	Rs. 101.05 Lakhs
c) Amount unspent, if any	NIL
d) Manner in which the amount spent during the financial year	Details given below

Manner in which the amount spent during the financial year

(Rs. In Lakhs)

Sl. No.	CSR Project or activity identified	Sector in which project is covered	Projects or Programmes 1) Local area or other 2) Specify the State and district where Projects or Programmes were undertaken	Amount Outlay (budget) Project or Programmewise	Amount spent on the Projects or Programmes subheads: 1) Direct expenditure on projects or programmes 2) Overheads	Cumulative Expenditure up to the reporting period	Amount spent direct or through implementing agency
1.	Help in transforming the lives of people with and without disability	Social Cause	Mumbai, Maharashtra	2.50	2.50	2.50	Adventures Beyond Barriers Foundation
2.	Juvenile Diabetes Programme run by Hirabai Cowasji Jehangir Medical Research Institute, Pune	Healthcare	Pune, Maharashtra	18.40	18.40	18.40	Direct
3.	Prevention of cervical cancer and anaemia in girls	Healthcare	Various schools in Pune	10.75	3.00	10.75	Rotary Club of Pune East Charitable Trust & Rotary Club of Pune Downtown
4.	Distributed biomass cookstoves to needy, poor and deserving families in remote, tribal and village areas under the banner "Happy Family Kits".	Healthcare & Environment	Various villages in Maharashtra	22.00	22.00	22.00	Rotary Club of Pune East Charitable Trust
5.	Technology Integration in classrooms and training to teachers in use of technology	Education	Various schools in Maharashtra	22.75	7.00	22.75	Rotary Club of Khadki
6.	Reconstruction of toilet blocks in a school	Healthcare	Puducherry	6.37	6.37	6.37	Direct
7.	Upgradation of equipment in a Research Center facility	Healthcare	Pune	10.00	10.00	10.00	Rotary Club of Poona Downtown

Sl. No.	CSR Project or activity identified	Sector in which project is covered	Projects or Programmes 1) Local area or other 2) Specify the State and district where Projects or Programmes were undertaken	Amount Outlay (budget) Project or Programmewise	Amount spent on the Projects or Programmes subheads: 1) Direct expenditure on projects or programmes 2) Overheads	Cumulative Expenditure up to the reporting period	Amount spent direct or through implementing agency
8.	Supplied PPE and medical kits, disposable face shields, masks, sanitizers in various hospitals and police stations	COVID Support	Pune and Puducherry	19.18	19.18	19.18	Direct
9.	Procured medical equipment for a hospital for treating COVID patients	COVID Support	Pune	11.00	11.00	11.00	Direct
10.	Distribution of food packets to migrant labourers in a village	COVID Support	Various villages near Pune	1.60	1.60	1.60	Deccan Chamber of Commerce and Industries Association
			Total	124.55	101.05	124.55	

- F. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board's Report
The actual amount spent by the Company on CSR activities during the year exceeded the prescribed limit.
- G. A responsibility statement of the CSR Committee
The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors

Anita Belani
Chairperson (CSR Committee)

Ravi Kirpalani
Member (CSR Committee)

Dated: 6 May 2021
Place: Mumbai



Report on Corporate Governance

Foseco's Philosophy

Foseco strives to adopt the highest standards of excellence in Corporate Governance. The Company has consistently practiced good Corporate Governance norms for the efficient conduct of its business and meeting its obligations towards all its stakeholders viz., the shareholders, customers, employees and the community in which the Company operates.

The Company has established procedures and systems to be fully compliant with the requirements stipulated by the Securities and Exchange Board of India under the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ["SEBI (LODR) Regulations"]. The principles governing the disclosures and obligations have been implemented in a manner so as to achieve the objectives of Corporate Governance.

The Company's Corporate Governance philosophy is reflected in the following key areas of the Company's approach to business and its stakeholders:

Nature and Role of the Board of Directors

The Company's Board comprises individuals with considerable experience and expertise across a range of disciplines including general management, business strategy, finance and accounting. All Board Members have a significant breadth of international business experience. The Board Members are fully aware of their roles and responsibilities in the discharge of the key functions. The Board Members strive to meet the expectations of operational transparency to stakeholders, whilst simultaneously maintaining confidentiality of information to the extent required.

Foseco's Vision

The Company's vision is to become:

- The preferred partner to the foundry industry providing the greatest value.
- A highly respected industry leader with which all stakeholders are proud to be associated.

Business Strategy

The Company's business strategy is to improve its customer's business performance:

- By being the partner providing the greatest value.
- Achieved through a solutions partnering and value selling approach delivering improved foundry processes and casting quality.
- Based upon world-class proprietary technology, foundry process and product application expertise and excellence in quality and customer service.

Foseco Values

The Group has adopted values that guide the Company in its ability to grow and significantly improve its results. The Company conducts an extensive strategic review of its activities. Following this review, ambitious goals are set for its growth and improvement of its profitability.

To help each one of the employees make the right decisions and bring them together – the following set of values and behaviours have been built: **CORE** – **C**ourage, **O**wnership, **R**espect and **E**nergy.

These values convey the mindset and attitudes which is expected from each of the employees to actively demonstrate every day. The Management firmly believes that these CORE values will enable the Company to strengthen its leadership position in the business.

Integrity of Financial Reporting

The Company ensures that adequate controls are in place to provide accurate and timely disclosure on all material matters including the financial situation, performance, ownership and governance of the Company. The audit process is supervised by the Audit Committee of the Board and is undertaken by an independent firm of Chartered Accountants, accountable directly to the Audit Committee.

Rights of the Shareholders

Foseco believes in protecting the rights of the shareholders. It ensures to provide adequate and timely disclosure of all information to the shareholders in compliance with the applicable laws. Shareholders are furnished with sufficient and timely information concerning the general meetings, full and timely information regarding the issues to be discussed thereat, rules regarding holding and conducting of the general meetings, opportunity to participate effectively and vote in general meetings, rules of the voting process, exercise of ownership rights and mechanism to address their grievances. They are informed of all key decisions concerning fundamental corporate changes. The minority shareholders are made aware of their rights of protection from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly. All shareholders are treated equitably.

Role of the Stakeholders

The Company recognises the rights of its stakeholders, encourage co-operation and respects their rights that are established by law or through mutual agreements. The stakeholders are provided opportunity to obtain effective redressal for violation of their rights. They get access to relevant, sufficient and reliable information on a timely and regular basis enabling them to participate in corporate governance process. The Company has laid down an effective whistle blower mechanism enabling stakeholders, including individual employees to freely communicate their concerns about illegal or unethical practices.

Framework on Insider Trading

The Company's shares are listed on the BSE Limited and the National Stock Exchange of India Limited. With the view to preventing insider trading and abusive self-dealing in the securities of the Company, the Company has formulated a Code of Conduct to Regulate, Monitor and Report Trading of the Company's securities by Insiders in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015. As a part of this Code, the Company's Directors, Key Managerial Personnel, designated employees, Promoters and all other persons who have professional or business relationship, whether directly or indirectly, are advised of the closure of the trading window for dealing / transacting in the Company's Equity Shares prior to the announcement of the quarterly, half-yearly and annual financial results of the Company, declaration of dividend and other price sensitive information. The Code of Conduct is available on the Company's **URL: FosecoIndia/View/policies.aspx**.

Investor Services

Performance measures have been established in respect of all investor related services. Results are monitored regularly and improvements made, wherever required.

Performance Measurement

Foseco places considerable importance on the measurement of performance of employees, the purpose being to support all employees and the organisation to perform to their peak potential. The process includes the regular and transparent review of the performance of all employees against agreed objectives and behaviour. Employee remuneration is linked to individual and Company performance. Likewise, the commission paid to Independent Directors is linked to the performance of the Company.



Board of Directors

Composition and Category of Directors

The Board of Directors of the Company is an optimal combination of Executive, Non-Executive and Independent Directors who have in-depth knowledge of business, in addition to the expertise in their areas of specialisation.

As on 31 December 2020, the Board of the Company comprised of five directors, all of whom are Non-Executive Directors with three directors being Independent Directors. Two of the Non-Executive Directors are nominated by Foseco Overseas Limited, London, United Kingdom. The current strength of the Board includes two woman directors out of which one is an Independent Director as required under applicable legislation. The Chairperson of the Board is a Non-Executive Independent Director.

The former Managing Director of the Company resigned at close of works on 31 December 2020. Dr. Ujjal Bhattacharjee was appointed an Additional Director of the Company with effect from 1 January 2021 and designated as a Whole-time Executive Director. With the appointment of Dr. Ujjal Bhattacharjee the strength of the Board became six directors. A brief profile of Dr. Bhattacharjee is given hereunder.

The background of each Director is summarised below:

(a) RAVI MOTI KIRPALANI (DIN: 02613688), Non-Executive Chairperson and Independent Director

Mr. Ravi Moti Kirpalani is a Non-Executive Independent Director and Chairperson on the Board of Foseco India Limited appointed on 26 October 2018. He has studied Economics at St. Stephen's College, New Delhi and holds a degree in Bachelor of Arts (Honours Course) from the University of Delhi. He has completed Post-Graduate Diploma in Management from the Indian Institute of Management, Calcutta. He is working as the Managing Director and CEO of Thyssenkrupp India Private Limited since March 2016. He provides strategic direction to and has oversight of all Thyssenkrupp group companies in India. Prior to joining Thyssenkrupp, he worked with Castrol / BP in India and in the UK. In his last assignment, he was the Managing Director of Castrol India Limited, a public limited listed company in India. Mr. Kirpalani brings over 36 years of experience in sales, marketing and strategy development. He has worked with global and culturally diverse teams and led major transformational programmes. He has deep passion for customer relationships, building brands, enjoys engaging and energising people and helps in building a culture based on values.

Mr. Kirpalani does not hold Directorship with any other listed entities in India, except Foseco India Limited. He is the Chairperson of the Stakeholders' Relationship Committee of the Board of the Company and also a Member each of the Audit Committee, the Nomination and Remuneration Committee and the Corporate Social Responsibility Committee of the Board. Mr. Kirpalani is not related to any of the existing Directors of the Company and does not hold any shares in the Company.

(b) AJIT SHAH (DIN: 02396765), Non-Executive Independent Director

Mr. Ajit Shah is a Non-Executive Independent Director on the Board of Foseco India Limited since 17 October 2013. Mr. Ajit Shah is an eminent Chartered Accountant in practice since 1971. He is a Senior Partner at M. A. Parikh & Co., a firm of Chartered Accountants in Mumbai.

Mr. Ajit Shah specialises in the field of Audits and Assurances, domestic and international transfer pricing, valuation and consultancy in the field of finance and taxation. He is associated as consultant with well-known multinational groups like Merck, Germany, WPP Group, UK, Pacific International Lines (PIL), Singapore, Mitsui OSK Lines, Japan and certain companies of the Tata Group.

As on date, Mr. Ajit Shah is an Independent Director on the Board of the following listed companies:-

- i) Foseco India Limited,

- ii) Sunshield Chemicals Limited, and
- iii) Haldyn Glass Limited

He is also a Member of the Committees of the Board of the following Companies:-

- i) Foseco India Limited - Chairperson each of the Audit Committee and the Nomination and Remuneration Committee and a Member each of the Board's Stakeholders' Relationship Committee and the Corporate Social Responsibility Committee,
- ii) Sunshield Chemicals Limited - Chairperson of Audit Committee and a Member of the Corporate Social Responsibility Committee, and
- iii) Haldyn Glass Limited - Chairperson each of the Audit Committee and the Stakeholders' Relationship Committee.

He is not related to any of the existing Directors of the Company and does not hold any shares in the Company.

(c) GUY FRANKLIN YOUNG (DIN: 0008334721), Non-Executive Non-Independent Director; Nominee of Foseco Overseas Limited

Mr. Guy Franklin Young is a Non-Executive and Non-Independent Director on the Board of the Company, who was appointed as a Director of the Company on 25 January 2019, being nominated by the Holding Company - Foseco Overseas Company.

Mr. Guy Franklin Young is a British and South African citizen, being qualified with the South African Institute of Chartered Accountants and has a wealth of financial and operational insight gained through his extensive international experience in the mining and industrial sectors.

Mr. Young was appointed as a Director and Chief Financial Officer of Vesuvius plc on 1 November 2015. Prior to joining the Vesuvius Group, he served as a Chief Financial Officer of Tarmac and latterly Lafarge Tarmac, the British building materials company, from January 2011 to October 2015. He has held a number of senior financial and business development positions at Anglo American plc from 1997 to 2010, including the position of CFO of Scaw Metals Group, the South African steel products manufacturer.

Mr. Young does not hold Directorship in any other public company in India except Foseco India Limited. He is a Member of the Board's Audit Committee. He is not related to any of the existing Directors of the Company and does not hold any shares in the Company.

(d) ANITA BELANI (DIN: 01532511), Non-Executive Independent Director

Ms. Anita Belani is a seasoned professional with 30 plus years of rich post MBA experience as a senior business and human capital leader. She did her M.B.A. from XLRI, Jamshedpur and B.A.(Hons) in Economics from Miranda House, University of Delhi.

Ms. Belani specialises in assignments across sectors, leveraging her extensive human capital and consulting background to provide strategic leadership solutions to her clients. She was also responsible for CEO / Board advisory assignments and specialized in the Private Equity / Venture Capital area in addition to focusing on diversified industrials. Her areas of expertise included helping clients solve their business issues through human capital solutions in such areas as change management, restructuring, organizational effectiveness, succession planning, leadership development and talent management. She was Country Head for Watson Wyatt India and was responsible for building a successful consulting brand for the organization.

Ms. Belani has previously worked with Sun Microsystems in San Francisco as a Senior HR Business Partner in charge of strategic global HR. Prior to that, she was in a senior business partner role with KPMG in the USA and was instrumental in building the India operations of Jardine Fleming. She has also worked with American Express

TRS in the early part of her career.

Ms. Belani is an Independent Director on the Board of the following listed companies:-

- i) Foseco India Limited, and
- ii) Redington India Limited

She is the Chairperson of the Corporate Social Responsibility Committee of the Board of the Company and also a Member each of the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders' Relationship Committee of the Board. She is not related to any of the existing Directors of the Company and does not hold any shares in the Company.

(e) KARENA CANCELLERI (DIN: 07163534), Non-Executive Non-Independent Director; Nominee of Foseco Overseas Limited

Ms. Karena Cancilleri was appointed as a Director on the Board of the Company on 31 October 2019. She is a Non-Executive Non-Independent Director on the Board, having been appointed as a nominee of the Holding Company - Foseco Overseas Limited. Ms. Karena Cancilleri, aged 52 years, is an Italian citizen. She holds a Master's degree in Chemistry from University of Turin in Italy and a degree of Master of Business Administration from the University of Strathclyde, Glasgow, United Kingdom.

Ms. Cancilleri joined Vesuvius plc on 1 October 2019 as President, Foundry Technologies. She was previously VP Engineered Products for Beaulieu International Group, a global specialist in raw chemical materials and semi-finished engineered products for residential and commercial markets, where she worked from 2013 to 2019. Her experience spans across various international leadership roles and, prior to her appointment with Beaulieu International Group, she held management positions in companies such as Shell Chemicals, Kraton Corporation and FiberVisions. Ms. Cancilleri is a highly strategic and global executive with a successful track record spanning over 20 years in developing and executing forward-thinking business strategies designed to be competitive in global markets.

Ms. Cancilleri does not hold Directorship in any other public company in India except Foseco India Limited. She is a Member of the Board's Nomination and Remuneration Committee. She is not related to any of the existing Directors of the Company and does not hold any shares in the Company.

(f) UJJAL BHATTACHARJEE (DIN: 07163534), Whole-time Executive Director

Dr. Ujjal Bhattacharjee was appointed as a Director on the Board of the Company with effect from 1 January 2021. He is a Whole-time Executive Director on the Board. Dr. Bhattacharjee, aged 46 years, is currently working with Foseco India Limited, since 16 September 2019 as Head HR - India & ASEAN, responsible for overall Human Resources matters for the Region. He has over 20 years of rich experience working with prestigious Indian and Global companies.

Prior to joining Foseco he had worked with GKN Sinter Metals Private Limited, which is a part of GKN Plc., UK, based in Pune, as HR Director, VP Operations and Managing Director. During the stint with GKN, he was responsible for overall Human Resources function for India, acted as India HR coordinator for all the Group companies like GKN Aerospace, Driveline and Land Systems, managed shared services and was part of Senior Global HR team.

Dr. Bhattacharjee has several education qualifications to his credit, the notables being Ph.D. in Management with Bharati Vidyapeeth, Pune and Global Advance Management Program from ISB-Kellogg School of Management (Northwestern University). He was invited as a speaker at several business schools & in leadership forums. He has been awarded by IMED in partnership with MCCIA, National Stock Exchange for his invaluable contribution to Management Education and awarded as one of the Most Influential HR Leader in India by World HRD Congress.

He is not related to any of the existing Directors of the Company. He does not hold any shares of the Company.

Disclosure of Directors' and Others Interest in Transactions with the Company

None of the Directors', Key Managerial Personnel and Senior Management, whether they, directly, indirectly or on behalf of third parties, have had any material interest in any transaction or matter directly affecting the Company pursuant to the provisions of Regulation 4(2)(f) of the SEBI (LODR) Regulations.

However, some commercial transactions have taken place with some of the Companies where an Independent Director is also a Director of that other company. Such transactions have taken place only at arm's length basis and in the ordinary course of business, which have been disclosed to the Board and entered in the Register of Contracts and approved by the Board in accordance with the requirements of the Companies Act, 2013 and SEBI (LODR) Regulations.

Independent Directors

The Independent Directors of the Company fully meet the requirements laid down under Regulation 16(1)(b) of the SEBI (LODR) Regulations. The Company has received a declaration from each of the Independent Directors confirming compliance with the criteria of independence as laid down under this Regulation as-well-as Section 149(6) of the Companies Act, 2013.

As mandated by the Regulation:

- all the Independent Directors, in the opinion of the Board of Directors, are persons of integrity and possesses relevant expertise and experience;
- none of the Independent Director is or was promoter of the Company or its Holding, Subsidiary or Associate Company or Member of the Promoter Group of the Company;
- none of the Independent Director is related to Promoters or Directors of the Company, its Holding, Subsidiary or Associate Company;
- apart from receiving Director's remuneration, none of the Independent Director of the Company has or had any pecuniary relationship with the Company or has had any transaction(s) exceeding 10% of their respective total income, with the Company, its Holding, Subsidiary or Associate Company, or their Promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
- none of the relative(s) of the Independent Directors —
 - (i) is/are holding any security of or interest in the Company, its Holding, Subsidiary or Associate Company during the two immediately preceding financial years or during the current financial year;
 - (ii) is/are indebted to the Company, its Holding, Subsidiary or Associate Company or their Promoters, or Directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - (iii) has or have given a guarantee or provided any security in connection with the indebtedness of any third person to the Company, its Holding, Subsidiary or Associate Company or their Promoters, or Directors of such Holding Company, for an amount of Rs. 50 lakh or such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or
 - (iv) has any other pecuniary transaction or relationship with the Company, or its Subsidiary, or its Holding or Associate Company or their Promoters, or Directors amounting to 2% or more of its gross turnover or total income or Rs. 50 lakh singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii) above;

- neither the Independent Directors themselves nor any of their relative(s) —
 - (i) holds or have held the position of a key managerial personnel or is or have been an employee of the Company or its Holding, Subsidiary or Associate Company in any of the three financial years immediately preceding the financial year in which they are proposed to be appointed;
 - (ii) is or have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which they are proposed to be appointed, of —
 - (A) a firm of auditors or company secretaries in practice or cost auditors of the Company or its Holding, Subsidiary or Associate Company; or
 - (B) any legal or a consulting firm that has or had any transaction with the Company, its Holding, Subsidiary or Associate Company amounting to ten per cent or more of the gross turnover of such firm;
 - (iii) holds together with their relatives 2% or more of the total voting power of the company; or
 - (iv) is a Chief Executive or Director, by whatever name called, of any non-profit organisation that receives 25% or more of its receipts or corpus from the Company, any of its Promoters, Directors or its Holding, Subsidiary or Associate Company or that holds 2% or more of the total voting power of the Company; or
 - (v) is a material supplier, service provider or customer or a lessor or lessee of the Company;
 - all the Independent Directors possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.
 - none of the Independent Directors of the Company are less than 21 years of age.
 - none of the Independent Director of the Company is a Non-independent Director of any other Company, on the Board of which, any Non-Independent Director of the Company is an Independent Director.

Board and Committee Memberships

As mandated by Regulation 26(1) of SEBI (LODR) Regulations, none of the Directors on the Board is a Member of more than ten (10) Committees and none is a Chairperson of more than five (5) Committees across all Public Limited Listed Companies in which they are Directors. All the Directors have made necessary disclosures regarding Committee positions held by them in other Companies and notify changes as and when they take place. The table below gives the details of Directorships, Committee Memberships and Chairpersonships in all Public Limited Listed Companies including Foseco India Limited, as on 31 December 2020.

The numbers shown in the table below, excludes Directorships and Committee Memberships of Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013. For the purpose of determination of limit, the Chairpersonship and Membership of the Audit Committee and the Stakeholders' Relationship Committee alone has been considered.

A total of five Board Meetings were held during the year 2020 on the following dates: 29 January 2020, 27 May 2020, 23 July 2020, 22 October 2020 and 28 December 2020. The maximum time gaps between any two Board Meetings was less than 120 days.

Composition of the Board and the Directorships held as on **31 December 2020** is as follows:

Name of the Director	Category	Number of Board Meetings attended during the year 2020	Attendance at the last AGM held on 10 Sept 2020	Number of Directorships in all Public Limited Companies including Foseco	Number of Memberships in Audit / Stakeholder Committee(s) held	Number of Post of Chairpersonships in Audit / Stakeholder Committee(s) held in all Public Limited Listed Companies including Foseco
Ravi Moti Kirpalani (DIN: 02613688)	Chairperson, Independent, Non-Executive	5	Yes	1	2	1
Sanjay Mathur (DIN: 00029858)	Managing Director	5	Yes	1	1	0
Ajit Shah (DIN: 02396765)	Independent, Non-Executive	5	Yes	3	5	4
Guy Franklin Young (DIN: 08334721)	Non-Independent, Non-Executive	4	Yes	1	1	0
Anita Belani (DIN: 01532511)	Independent, Non-Executive	5	Yes	2	2	0
Karena Cancilleri (DIN: 08598568)	Non-Independent, Non-Executive	4	Yes	1	0	0

Sanjay Mathur resigned as a Director at close of works on 31 December 2020

Board Skill Matrix

As required by Listing Regulations, 2015 the matrix setting out the Skills, Expertise and Competencies that are identified and available within the Board of the Company for effective functioning are given below:

Name of the Director	Skill / Expertise / Competencies
Ravi Moti Kirpalani	Strategic Thinking, General Management, Sales and Marketing, HR and People Practices, Finance and Accounts, Corporate Governance, Risk Management, Regulatory and Compliance Matters
Sanjay Mathur	Strategic Thinking, General Management, Sales and Marketing, HR and People Practices, Finance and Accounts, Legal, Corporate Governance, Risk Management, Industry – Chemical, Technical – Chemical, Industrial – Manufacturing, Health, Safety and Environment, Regulatory and Compliance Matters
Ajit Shah	General Management, Finance and Accounts, Legal, Corporate Governance, Risk Management, Taxation, Regulatory and Compliance Matters
Guy Franklin Young	Strategic Thinking, General Management, HR and People Practices, Finance and Accounts, Legal, Corporate Governance, Risk Management, Taxation, Regulatory and Compliance Matters
Anita Belani	General Management, HR and People Practices, Corporate Governance, Risk Management, Regulatory and Compliance Matters
Karena Cancilleri	Strategic Thinking, General Management, Sales and Marketing, HR and People Practices, Finance and Accounts, Legal, Corporate Governance, Risk Management (Operations), Health, Safety and Environment, Regulatory and Compliance Matters



Tenure of Independent Directors

The tenure of the Independent Directors is fixed in accordance with the requirements laid down in the Companies Act, 2013 and clarifications / circulars issued by the Ministry of Corporate Affairs, in this regard, from time to time.

Separate meetings of the Independent Directors

The Independent Directors held a Meeting on 9 February 2021, without the attendance of Non-Independent Directors and members of the Management. All the Independent Directors were present at the Meeting, where they –

- i. reviewed the performance of Non-Independent Directors and the Board as a whole;
- ii. reviewed the performance of the Chairperson of the Company, taking into account the views of Non-Executive Directors;
- iii. assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors were of the unanimous view that the Non-Independent Directors (NID) are extremely positive and that their contribution to the Board Meeting is much appreciated. One of the NID brings a lot of experience in both process and financial matters thus helping the members to discuss the issues across the board. His professional approach and intimate knowledge of business enables him to provide value adding inputs, while the other NID also received very high overall ratings from the Independent Directors. They felt that she has been a good addition to the board and that she brings a diverse experience and perspective. The directors appreciated that she is very willing to reach out to the directors for guidance and inputs. The directors found her to be open and transparent.

The Directors felt that the Foseco Board is fortunate to have Mr. Ravi Kirpalani as the Chairperson. His leadership and inclusive style make it a pleasurable experience to be part of the Board. The Chairperson has the requisite experience, knowledge and skills to add value to the business strategy and operations. He shares his expertise regarding the organization and other related matters and discusses every matter transparently and welcomes suggestions. He provides the directors the opportunity to express their views openly.

The Independent Directors are of the view that the information provided by the Company Management is complete, of high quality and is furnished with full disclosure in a professional and timely manner. The Management is open to sharing overall information. The Directors are appreciative of quality and depth of knowledge of the Company Management. The effectiveness of the Board and its various committees are summarized below.

All were aligned on the fact that the Board Meetings are well run and there is a very good sense of understanding and trust amongst the Board Members. This has resulted in the Board Meeting or Committee Meetings being very open and transparent and in turn in its effective functioning.

Familiarisation programme for Independent Directors

Whenever any person joins the Board of the Company as an Independent Director, an induction programme is arranged for him / her wherein he / she is familiarised with the Company, their roles, rights and responsibilities in the Company, the Code of Conduct and Ethics to be adhered to, nature of the industry in which the Company operates, business model of the Company, meeting with the senior management team members, etc. The Company undertakes various measures to update the Directors, from time to time, of any significant changes in the ongoing events and development relating to the Company.

The Company also undertakes various programmes to update the Directors, from time to time, of any significant changes in the ongoing events and development relating to the Company.

The details of such familiarisation programmes can be viewed on the Company's website at **URL: www.fosecointia.com/View/policies.aspx**.

Meetings of the Board

Frequency: The Board meets at least once a quarter to review the quarterly results and other items of the Agenda. Whenever necessary, additional meetings are held. In case of business exigencies or urgency of matters, Resolutions are passed by circulation, as permitted by law, which is confirmed in the next Board / Committee Meeting. The Company effectively uses video conferencing facility to enable the participation of Directors who may not be able to attend physically due to some exigencies.

Meetings Calendar: The probable dates of the Board / Committee Meetings for the forthcoming year are decided well in advance in order to facilitate and assist the Directors to plan their schedules for the Meetings. The indicative annual calendar of the Meetings forms part of this Report.

Board Meeting Location: The location of the Board / Committee Meetings is informed well in advance to all the Directors, to facilitate their attendance.

Notice and Agenda distributed in advance: The Company's Board / Committees are presented with detailed notes, alongwith the agenda papers, well in advance of the Meeting. The Agendas for the Board / Committee Meetings is set by the Company Secretary in consultation with the Chairperson of the Board / Committees. All material information is incorporated in the Agenda for facilitating meaningful and focused discussions at the Meeting. Where it is not practical to attach any document to the Agenda, the same is tabled before the Meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary items on the Agenda are permitted. The Board periodically reviews compliance reports of laws applicable to the Company, prepared and placed before the Board by the Management.

Other Matters: The senior management team of the Company is advised to schedule its work plans in advance, particularly with regard to matters requiring discussions / decision with the Board / Committee Members.

Presentations by Management: The Board / Committee is given presentations, wherever practicable covering health, safety and environment, finance, sales, marketing, major business segments and operations of the Company, global business environment including business opportunities, business strategy, risk management practices and operating performance of the Company before taking on record the financial results of the Company.

Access to employees: The Directors are provided free access to officers and employees of the Company. Whenever any need arises, the Board / Committee Members are at liberty to invite the personnel whose presence and expertise would help the Board / Committee Members to have a full understanding of matters being considered.

Information Placed Before the Board / Committees:

Among others, information placed before the Board / Committees includes:

- Annual operating plans of business and budgets and any updates thereof.
- Capital budgets and any updates thereof.
- Quarterly Results of the Company including its operating divisions or business segments.
- Minutes of the Meetings of the Board and all Committees of the Board.
- The information on recruitment and remuneration of senior officers just below the Board level, including the appointment or removal, if any, of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company.

- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order, which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- Details of joint venture(s) or collaboration agreement(s), if any.
- Transactions that involve substantial payment towards royalty, goodwill, brand equity or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in human resources / industrial relations front, as and when it occurs.
- Sale of investments, assets which are material in nature and not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders' service, such as non-payment of dividend, delay in share transfer, if any, etc., and steps taken by company to rectify instances of non-compliances, if any.
- Making of loans and investments of surplus funds.
- General notices of interests of Directors. Declarations submitted by Independent Directors at the time of appointment and also annually.
- Formation / Reconstitution of Board Committees.
- Appointment, remuneration and resignation of Directors.
- Dividend declaration.
- Significant changes in accounting policies and internal controls.
- Appointment of and fixation of remuneration of the Auditors as recommended by the Audit Committee.
- Annual financial results of the Company, Auditors' Report, Directors' Report, Corporate Governance Report etc.
- Compliance Certificates of all the laws as applicable to the Company.

Minutes of the Meetings: The draft Minutes of the proceedings of the Meetings are circulated amongst the Members of the Board / Committees. Comments and suggestions, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairperson. The Minutes are confirmed by the Members and signed by the Chairperson at the next Board / Committee Meetings. All Minutes of the Committee Meetings are placed before the Board Meeting for perusal and noting.

Post meeting follow-up mechanism: The Company has an effective post meeting follow-up review and reporting process for the decisions taken by the Board and Committee(s) thereof. The important decisions taken at the Board / Committee(s) Meetings which calls for actions to be taken are promptly initiated and where required communicated to the concerned departments / divisions. Periodical Action Taken Reports are also sent to all the Directors through e-mails between two Meetings on the action taken on previous pending points.

Code of Conduct and Ethics

The Company's Code of Conduct and Ethics provides guidelines to be followed by all Members of the Board of Directors and Senior Management to ensure the highest standards of professional conduct. Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct and Ethics for the year ended 31 December 2020 on behalf of themselves and to the extent that they are aware, on behalf of all employees reporting to them. A declaration signed by the Managing Director of the Company to this effect is contained at the end of this report.

The said Code can be viewed on the Company's website at **URL: [www.fosecoindia.com/ View/policies.aspx](http://www.fosecoindia.com/View/policies.aspx)**.

Committees of the Board

As on 31 December 2020, the Company had: Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and the Corporate Social Responsibility Committee.

The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by the Members of the Board, as a part of good governance practice. The Company's guidelines relating to Board Meetings are applicable to Committee Meetings, as far as may be practicable. Each Committee has the authority to obtain at the Company's expense, outside legal and professional advice on any matters within its term of reference. The Board Committees can request special invitees to join the meeting, as appropriate. The Controller of Accounts and Company Secretary acts as the Secretary of all the Committees.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

The functioning of all the Committees of the Board of Directors is guided by well-laid down terms of reference, that has been framed keeping in view the requirements prescribed for such Board Committees under the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations.

All the Committees were re-constituted during the year. The details of these Committees are set out below.

1. AUDIT COMMITTEE

Terms of Reference

The primary purpose of the Committee is to monitor and provide effective supervision of the Company's financial reporting processes in order to ensure timely, accurate and proper disclosures and the transparency, integrity and quality of financial reporting.

Composition

The Audit Committee comprises 4 Members, Mr. Ajit Shah, Mr. Ravi Moti Kirpalani and Ms. Anita Belani, all of whom are Non-Executive Independent Directors and Mr. Guy Franklin Young, who is a Non-Executive, Non-Independent Director. Mr. Ajit Shah, Chartered Accountant, a Chairperson of the Audit Committee, has considerable financial expertise and experience. The Managing Director, the Chief Financial Officer, the Statutory Auditor and the Internal Auditor are permanent invitees to the Committee. The Controller of Accounts and Company Secretary acts as a Secretary to the Committee.

Audit Committee Meetings and Attendance of Directors

A total of five Audit Committee Meetings were held during the year 2020 on 29 January 2020, 27 May 2020, 23 July 2020, 22 October 2020 and 28 December 2020. The maximum time gaps between any two Committee Meetings was less than 120 days.

Name of the Directors	Number of meetings held during the respective tenure of the director during the year	Number of meetings Attended
Ajit Shah	5	5
Ravi Moti Kirpalani	5	5
Guy Franklin Young	5	5
Anita Belani	5	5

Role of the Audit Committee inter-alia includes the following:

- Conduct oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- Monitor the integrity of the financial statements of the Company, including its annual and interim reports, preliminary results' announcements and any other formal announcement relating to its financial performance, reviewing significant financial reporting issues and judgments which they contain. The Committee shall also review summary financial statements, significant financial returns to regulators and any financial information contained in certain other documents, such as announcements of a price sensitive nature;
- Review where necessary:-
 - the methods used to account for significant or unusual transactions where different approaches are possible;
 - whether the Company has followed appropriate accounting standards and made appropriate estimates and judgments, taking into account the view of the Statutory Auditor;
 - the clarity of disclosure in the Company's financial reports and the context in which statements are made;
 - all material information presented with the financial statements, such as the notes to the accounts;
 - the CEO / CFO Certification.
- Review at each Meeting the statement of Related Party Transactions as defined in Accounting Standard 18 on the Related Party Transactions and the statement of contingent liabilities including those relating to Income and Commercial taxation.
- Approve Related Party Transactions, or any subsequent modification of the transactions of the Company with the related parties.
- Review, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
- Scrutinise inter-corporate loans and investments;
- Order valuation of undertakings or assets of the Company, wherever it is necessary;
- Look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors;
- Review, with the Management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified Opinion(s) in the draft audit report;

- The going concern assumption;
- Compliance with accounting standards.
- Review with the management and recommend for Board approval the quarterly financial statements after having reviewed the limited review process with the Statutory Auditors.
- Approve the appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carry out any other function as is mentioned in the terms of reference of the Audit Committee.
- Review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Evaluate the Internal Financial Controls and Risk Management Systems.
- Review the effectiveness and adequacy of the Internal audit functions and processes including the performance of the Internal Auditors.
- Formulate the scope, functioning, periodicity and methodology for conducting the internal audit, in consultation with the Internal Auditors.
- Discuss with the Internal Auditor of any significant findings and follow-up thereon.
- Consider and make recommendations to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Company's Statutory Auditors, subject to the approval of the Members at the Annual General Meeting;
- Propose to the Board, the Statutory Auditors remuneration having regard to the level of fees which is appropriate to enable an adequate audit to be conducted, subject to the approval of the Members at the Annual General Meeting;
- Recommend to the Board the appointment of the Statutory Auditors, including the terms of appointment;
- Assess annually the Statutory Auditors independence and objectivity taking into account relevant professional and regulatory requirements and the relationship with the Auditor as a whole, including the provision of any non-audit services;
- Review and approve the payment to the Statutory Auditors for any other services rendered by them;
- Monitor the Auditors compliance with relevant ethical and professional guidelines including the rotation of audit partners;
- Assess annually the Auditor's qualifications, expertise and resources and the effectiveness of the audit process which shall include a report from the Statutory Auditor on their own Internal quality procedures;
- Review and approve the annual audit plan and ensure that it is consistent with the nature and scope of the audit engagement;
- Review the findings of the audit and limited reviews with the Statutory Auditors. This shall include but not be limited to, the following;
 - A discussion of any major issues which arise during the audit or limited review;
 - Any errors identified during the audit or limited review.

- Review the Auditor's management letter and management's response.
- Discuss with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Review the overall effectiveness and adequacy of the external audit functions and processes including performance of the Statutory Auditors in terms of value addition.
- Implement and regularly review the policy on the rendering of the non-audit services by the Statutory Auditors.
- Review the Whistle-blower Policy and taking stock of any report from the Directors and employees on the same.

Risk Management

The Audit Committee reviews the risk assessment and minimisation procedure of the Company and ensure that these are implemented and monitored effectively.

2. NOMINATION AND REMUNERATION COMMITTEE

Terms of Reference

The primary purpose of the Committee, among other things, is to determine and propose the following for Board's approval:-

- i) identify persons who are qualified to become Directors and who may be appointed in senior management positions in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- ii) carry out evaluation of every Director's performance along with the Board;
- iii) formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- iv) formulate the criteria for performance evaluation of Independent Directors and the Board of Directors;
- v) devise a policy on Board diversity;
- vi) appointment of any Director as the Member Chairperson, if thought fit, of various Committees of the Board;
- vii) evaluate the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- viii) all remuneration, in whatever form, payable to senior management;
- ix) ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

Composition

As on 31 December 2020, the Committee comprised of four Members – Mr. Ajit Shah as Chairperson, Mr. Ravi Moti Kirpalani and Ms. Anita Belani as Non-Executive Independent Directors and Ms. Karena Cancilleri as Non-Executive Non-Independent Director.

Nomination and Remuneration Committee Meetings and Attendance of Directors – During the year, two Meetings of the Nomination and Remuneration Committee were held on 28 January 2020 and 28 December 2020. The attendance of the Members at these Meetings is given below:

Name of the Directors	Number of meetings held during the respective tenure of the director during the year	Number of meetings Attended
Ajit Shah	2	2
Ravi Moti Kirpalani	2	2
Anita Belani	2	2
Karena Cancilleri	2	1

Selection of Directors

Selection and appointment of Directors is done based on various criteria viz., Determining Qualifications, Positive Attributes & Independence of a Director and Policy for Board diversity. The criteria inter-alia includes, qualification in any professional discipline or proven track record of strong managerial capabilities; possessing knowledge and skills in one or more fields of sales, marketing, technical operations, research, accounting, finance, management, administration, corporate governance; possessing relevant experience at policy-making and at leadership position in large organisations; having high standards of integrity and probity etc. In case of Independent Directors, he/she must fulfill the criteria of independence attributes to bring independent judgment to Board's deliberations and decisions over and above other attributes. Woman member on the Board to be selected on merit.

Performance evaluation criteria for Independent Directors (IDs)

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors. The framework of performance evaluation of the Independent Directors captures the following points:

- A) Key attributes of the IDs that justify his / her extension / continuation on the Board of the Company;
- B) Participation of the Directors in the Board proceedings and his / her effectiveness, contribution at the Meetings, guidance / support to the Management;

The assessment to determine the key attributes of the Directors covers the following:

- ability and willingness to speak up
- ability to carry others
- ability to disagree, stand his/her ground
- displays independence of judgement
- focus on shareholder value creation
- high governance standards
- is well informed of the agenda and well prepared on the issues to be discussed thereat

The Board of Directors (excluding the Director being evaluated) had evaluated the performance of all the Independent Directors on the Board and have determined to continue with the term of appointment of the Independent Directors. All the Independent Directors have furnished a declaration that he / she meets the criteria of independence as laid down in Section 149 of the Companies Act, 2013. The required information of the Directors who are seeking appointment or re-appointment is set out in the annexure to the AGM Notice.

Performance Evaluation of Board, Committees and Directors

Based on the criteria laid down, the Board carried out the annual performance evaluation of Board, the Committees and the other Directors. Whereas at a separate meeting, Independent Directors evaluated the performance of the Non-Independent Director, the Board as a whole and of the Chairperson. As per the criteria for evaluation of

the Board, it covers: Degree of fulfillment of key responsibilities by the Board, structure and composition of the Board aligning to the need and strategy of the Company; establishment and delineation of responsibilities to the Committees; effectiveness of Board processes, information and functioning; Board culture and dynamics; quality of relationship between the Board and the Management; efficacy of communication with the external stakeholders.

Performance evaluation criteria for Managing Director inter alia include: level of skill, knowledge and core competence; performance and achievement vis-à-vis budget and operating plans; Effectiveness towards ensuring statutory compliances; discharging duties/responsibilities towards all stakeholders; reviewing/monitoring Executive management's performance, adherence to ethical standards of integrity & probity; employment of strategic perception and business acumen in critical matters etc.

Committees of the Board are evaluated for their performance based on: effectiveness in discharging duties and responsibilities as outlined in the charter, specifically satisfying itself on integrity of financial statements and financial reporting, management of enterprise risk, compliance with laws and regulations, sufficiency in addressing the objectives for which it is set up, among other things; adequacy of Committee's composition; effectiveness of the various Meetings based on frequency of the Meetings, agenda discussed, time allotted, adequacy of information provided etc., dynamism of Committees giving an idea to the Members on their role and responsibilities; quality of relationship of the various Committees with the Board and the Management showing high degree of responsiveness and providing strategic guidance / direction to the Board on various matters coming under Committee's purview etc.

Performance evaluation was done by rating the performance on each criteria on the scale of 1 to 5, 1 being strongly disagree and 5 being strongly agree. Separate exercise was carried out for evaluation of each Director and category i.e. Independent Directors, Chairperson, the Board and the Committees. The Board expressed its satisfaction on the process as well as performance of all the Directors, the Committees and the Board as a whole.

Remuneration Policy

(A) Managing Director

The remuneration paid / payable to the Managing Director is in accordance with the limits fixed by the Board and approved by the Members. The total remuneration comprises fixed component consisting of salary and perquisites in accordance with the Company's policy and a performance bonus linked to Company performance. Increase in fixed remuneration is dependent upon both the Managing Director's and the Company's performance and is assessed annually. The performance bonus is based on a set of stretch targets that reflect the overall financial performance of the Company each year. The Company do not have any stock options scheme for any employee of the Company.

The remuneration to Managing Director is fair and reasonable after taking into account, level of skill, knowledge and core competence of individual, functions, duties and responsibilities, Company's performance and achievements, compensation of peers and industry standard and other factors.

The Committee recommends periodic revision in the remuneration of Managing Director to the Board and the Board fixes his remuneration taking into consideration the above factors as also ceiling limits prescribed under the Companies Act, 2013. The same is subject to the approval of the Members, wherever required.

During the financial year ended 31 December 2020, the Company has paid the following remuneration to the Managing Director:

Salary	Rs. 273.60 lakhs
Total perquisites	Rs. 235.06 lakhs
Total	Rs. 508.66 lakhs

The term of the Managing Director was for a period of three years coming to an end on 31 March 2022. However, the Managing Director had resigned on 31 December 2020. The contract with the Managing Director could be terminated by mutual agreement with no severance fees payable.

During the year 2020, the managerial remuneration paid to the Managing Director exceeded the prescribed limit laid down under Section 197 read with Schedule V to the Companies Act, 2013, in view of inadequacy of profit computed under Section 198 of the Act, owing to the Covid-19 pandemic that affected the business of the Company for some time. Accordingly, Shareholders approval is being sought at the ensuing Annual General Meeting, for the excess remuneration paid to the Managing Director.

(B) Non-Executive Independent Directors

Non-Executive Independent Directors are paid sitting fees for attending the Board and Committee Meetings, plus the reimbursement directly related to the actual travel and out-of-pocket expenses, if any, incurred by them. Non-Executive Independent Directors receive commission, which in total does not exceed 1% of the net profits of the Company computed under Section 198 of the Companies Act, 2013. The amount of commission is based on the overall financial performance of the Company and of the Board of Directors.

Apart from the above, no other remuneration is paid to the Non-Executive Independent Directors. The amount paid in the financial year ended 31 December 2020 is summarised below:

Directors	Sitting Fees for the year 2020 (Rs. in lakhs)	Commission for the year 2019 paid in 2020 (Rs. in lakhs)
Ravi Moti Kirpalani	8.30	7.70
Ajit Shah	8.30	7.00
Anita Belani	8.30	3.72
Indira Parikh	--	1.67

The commission for the year 2020 becomes due and payable only after the approval of the Annual Accounts by the Members at the Annual General Meeting held after the conclusion of the financial year.

3. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Terms of Reference

The Terms of Reference of the CSR Committee are as under:

- Formulate and recommend to the Board, a CSR Policy.
- Recommend the amount of expenditure to be incurred on CSR activities.
- Institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company.
- Monitor CSR policy from time to time.

Composition

The Committee comprises three Members, all of whom are Independent Directors – Ms. Anita Belani as the Chairperson, with Mr. Ajit Shah and Mr. Ravi Moti Kirpalani as the other Members. Mr. Sanjay Mathur was also one of the Members of the Committee. He resigned from the Directorship of the Company on 31 December 2020 and therefore had vacated committee position. The Controller of Accounts and Company Secretary acts as a Secretary to the Committee.

CSR Committee Meetings and Attendance of Directors – During the year, one Meeting of the CSR Committee was held on 28 January 2020. The attendance of the Members at this Meeting is given below:

Name of the Directors	Number of meetings held during the respective tenure of the director during the year	Number of meetings Attended
Anita Belani	1	1
Ajit Shah	1	1
Ravi Moti Kirpalani	1	1
Sanjay Mathur	1	1

CSR Policy

The CSR Policy is available on the website of the Company at **URL: FosecoIndia/View/policies.aspx**.

4. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Terms of Reference

The Committee focuses primarily on monitoring and ensuring that the shareholder and investor services operate in an efficient manner and that all Stakeholders grievances / complaints are addressed promptly with the result that all issues are resolved rapidly and efficiently.

The Committee reviews:

- i. the measures taken for effective exercise of voting rights by the shareholders;
- ii. the adherence to service standards adopted by the Company in respect of services extended by the Registrar and Share Transfer Agent;
- iii. the measures and initiatives taken to reduce the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants and annual report by the shareholders of the Company.

Composition

As on 31 December 2020, the Committee comprises three Members, all of whom are Independent Directors – Mr. Ravi Moti Kirpalani as the Chairperson, with Mr. Ajit Shah and Ms. Anita Belani as the other Members. Mr. Sanjay Mathur was also one of the Members of the Committee. He resigned from the Directorship of the Company on 31 December 2020 and therefore had vacated committee position. The Controller of Accounts and Company Secretary acts as a Secretary to the Committee.

Stakeholders' Relationship Committee Meetings and Attendance of Directors

A total of four Committee Meetings were held during the year 2020 on the following dates: 28 January 2020, 27 May 2020, 23 July 2020 and 22 October 2020. The attendance of the Directors at these Meetings are as follows:

Name of the Director	Number of meetings held during the respective tenure of the director during the year	Number of meetings Attended
Ravi Moti Kirpalani	4	4
Ajit Shah	4	4
Sanjay Mathur	4	4
Anita Belani	4	4

Compliance Officer

Mr. Mahendra Kumar Dutia, Company Secretary and Controller of Accounts is the Compliance Officer.

Analysis of Complaints – Received and Resolved during the year ended 31 December 2020

Nature of Complaints	Opening Balance	Complaints Received During the Year	Received from Share Transfer Agents or Direct	Received from SEBI / BSE / NSE	Closing Balance
Non-receipt of dividend warrant	Nil	Nil	Nil	Nil	Nil
Non-receipt of Share Certificate	Nil	Nil	Nil	Nil	Nil
Non-receipt of Annual Report	Nil	1	Nil	1	Nil
Others	Nil	Nil	Nil	Nil	Nil
Total	Nil	1	Nil	1	Nil

All complaints have been resolved to the satisfaction of shareholders.

General Body Meetings

Location, date and time of the Annual General Meeting held during the last 3 years and Special Resolutions passed thereat:

Financial Year Ended	Date of the AGM	Time	Location	Special Resolutions Passed
31 December 2019	10 September 2020	1430 Hrs	Meeting held through Video Conferencing for which the venue was deemed to be the Company's Registered Office at Gat Nos. 922 & 923, Sanaswadi, Taluka Shirur, Pune - 412 208	1. Payment of Commission to Independent Directors of the Company
31 December 2018	22 April 2019	1200 Hrs	At the Company's Registered Office at Gat Nos. 922 & 923, Sanaswadi, Taluka Shirur, Pune - 412 208	1. Reappointment of Ajit Shah as an independent director of the Company; 2. Adoption of the new Articles of Association
31 December 2017	24 April 2018	1200 Hrs	- Do -	NIL

Special Resolution passed through Postal Ballot

During the financial year ended 31 December 2020, no special resolution was put through by postal ballot.

Special Resolution proposed to be conducted through Postal Ballot and procedure therefor

No Resolution is proposed to be passed at the forthcoming Annual General Meeting of the Company to be held in June 2021, that is required to be conducted through postal ballot. Hence the procedure of postal ballot is not laid down.



Extra-Ordinary General Meeting

No Extra-Ordinary General Meeting of the Members was held during the financial year ended 31 December 2020.

Means of Communication

The Quarterly, Half-Yearly and Annual Financial Results are regularly submitted to the Stock Exchanges in accordance with the Regulation laid down therefor and are generally published in the Business Standard (in English Language – All India Editions) and Loksatta (in Marathi Language – Pune Edition). The results are posted on the Company's website www.fosecointia.com, after its submission to the Stock Exchanges. These are available in a freely downloadable format.

The Annual Report, Quarterly, Half-Yearly and Annual Financial Results, Shareholding Pattern, Intimation of the Board Meetings and other statutory filings with the Stock Exchanges are posted through the filing system of the BSE Limited and NSE Electronic Application Processing System (NEAPS) portals.

All price sensitive information and matters which are material and relevant to the Shareholders are intimated to the BSE Limited and the National Stock Exchange of India Limited, where the securities of the Company are listed.

During the year under review, the Company has not made presentation to any institutional investors or to any analysts.

General Shareholders Information

64th Annual General Meeting

The 64th Annual General Meeting will be held on Monday, 21 June 2021 at 1430 Hours (IST) through Video Conferencing (VC) or Other Audio Visual Means (OAVM), for which the venue of the meeting shall be deemed to be the Registered Office of the Company at Gat Nos. 922 & 923, Sanaswadi, Taluka Shirur, District Pune - 412 208.

Financial Year of the Company

Your Company follows the Calendar Year from 1st January to 31st December as its Financial Year.

Financial Calendar (Tentative and subject to change)

Financial Reporting 2021	From	To	Probable Date(s)
1st Quarter	January	March	1st week of May 2021
2nd Quarter	April	June	Last week of July 2021
3rd Quarter	July	September	Last week of October 2021
4th Quarter	October	December	2nd week of February 2022
Annual General Meeting for the financial year ending 31 December 2021			May 2022

Company Identification Number (CIN): CIN of the Company is **L24294PN1958PLC011052**.

Date of Closure of the Register of Members and Share Transfer Books of the Company: From **Tuesday, 15 June 2021 to Monday, 21 June 2021 (both days inclusive)** for determining the entitlement of the Shareholders to the payment of final dividend, if declared at the AGM.

Dividend Payment Date: Final dividend, if declared at the AGM, shall be paid/credited on or before **Tuesday, 20 July 2021**.

Stock Exchange Listing

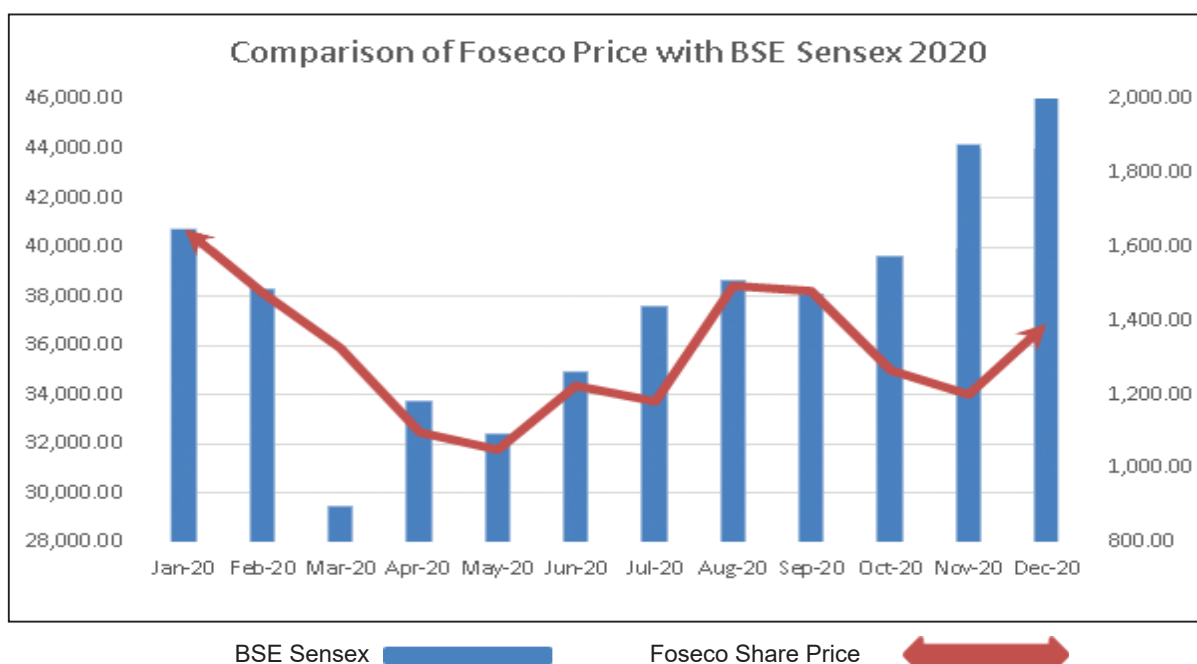
Stock Exchange	Stock Code	Listing Fees Paid Up to	ISIN
BSE Limited	500150	31.03.2021	INE519A01011
National Stock Exchange of India Limited	FOSECOIND	31.03.2021	INE519A01011

Share Price

The Company's high and low prices recorded on the BSE Limited and the National Stock Exchange of India Limited during the year ended 31 December 2020 were:

Month	BSE Sensex	BSE	BSE	NSE	NSE
		Foseco Share Price	Foseco Share Price	Foseco Share Price	Foseco Share Price
		BSE High (Rs.)	BSE Low (Rs.)	NSE High (Rs.)	NSE Low (Rs.)
Jan-20	40,723.49	1,650.00	1,296.00	1,630.00	1,294.95
Feb-20	38,297.29	1,476.80	1,265.10	1,478.30	1,260.00
Mar-20	29,468.49	1,329.00	840.00	1,346.90	820.00
Apr-20	33,717.62	1,099.00	891.00	1,109.70	900.55
May-20	32,424.10	1,053.20	942.10	1,037.40	964.95
Jun-20	34,915.80	1,224.00	1,002.75	1,115.45	1,002.00
Jul-20	37,606.89	1,180.00	1,002.00	1,159.40	998.00
Aug-20	38,628.29	1,497.00	1,025.00	1,500.00	1,017.05
Sep-20	38,067.93	1,482.00	1,180.50	1,371.00	1,180.00
Oct-20	39,614.07	1,265.00	1,158.00	1,261.95	1,160.00
Nov-20	44,149.72	1,199.00	1,105.30	1,195.00	1,100.00
Dec-20	47,751.33	1,390.25	1,160.10	1,420.00	1,152.15

(Source: Compiled from the data available from the BSE and NSE websites)





The Company has not received any intimation from either the BSE Limited or the National Stock Exchange of India Limited during the year ended 31 December 2020, informing of suspension of trading in the Equity Shares of the Company on the Stock Exchanges for any period.

Registrar & Share Transfer Agents (RTA): The RTA of the Company is **Link Intime India Private Limited**, Akshay Complex, Block 202, 2nd floor, Off Dhole Patil Road, Near Ganesh Mandir, Pune-411001.

Telephone Nos: +91 (020) 26160084, 26161629.

Email: ashok.gupta@linkintime.co.in; umesh.sharma@linkintime.co.in; pune@linkintime.co.in.

Website: www.linkintime.co.in.

Share Transfer System

The transfer of shares in physical mode has been discontinued. Only transmission of shares are effected on receiving any request from the shareholders. In order to expedite the process of transfer of securities, the Stakeholders' Relationship Committee of the Board has delegated the powers severally to all its Committee Members, the Company Secretary and the Registrar & Share Transfer Agents. All routine transmissions of shares are processed within a period of 15 days from the date of receipt of transfer documents provided the documents are complete in all respect. Requests for dematerialisation of shares are processed within 15 days from the date of receipt if the documents are in order.

As per the requirement laid down in Regulation 40(9) of the SEBI (LODR) Regulations, the Company has obtained half-yearly certificates from Practicing Company Secretary for due compliance of issuance of share certificates within the stipulated time limit of the date of lodgement for transfer, transmission, sub-division, consolidation etc., and had filed the same with the Stock Exchanges.

As on 31 December 2020 there were no valid requests pending on account of the above.

Reconciliation of Share Capital Audit Report

As required under Regulation 76(1) of SEBI (Depositories and Participants), Regulations, 2018, the Reconciliation of Share Capital on the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Ltd. ("CDSL") and in physical form for the 4 quarters in the financial year ended 31 December 2020 was carried out by a Practicing Company Secretary whose reports were submitted with the Stock Exchanges, within the stipulated time-limit. The reports were also placed before the Board of Directors at its Meetings.

Shareholding Distribution

The distribution of shareholding as at 31 December 2020 is tabulated below:

Nominal Value of Shares	Number of shareholders	% of the total shareholders	Total Value of Shares	% of the total Shares Value
Up to 5,000	9043	97.95	5007670	7.84
5,001 to 10,000	97	1.05	731690	1.15
10,001 to 20,000	46	0.50	683610	1.07
20,001 to 30,000	22	0.24	529650	0.83
30,001 to 1,00,000	15	0.16	759040	1.19
1,00,001 and above	9	0.10	56152930	87.92
Total	9232	100.00	63864590	100.00

The nature of shareholding is summarised below:

Category	Total Number of Shares	% of Total Number of Shares
Foreign Promoters	4788845	74.98
Foreign Companies	733226	11.48
NRIs /FIIs/FPIs	21810	0.35
IEPF Account	26936	0.42
Banks, NBFCs, FIs, Mutual Funds and UTI	200	0.00
Private Corporate Bodies	78360	1.23
Trusts, HUFs, Clearing Members	35097	0.55
Indian Public	701985	10.99
Total	6386459	100.00

Dematerialisation of Shares and Liquidity

Shares of the Company can be held and traded in electronic form. The Company has established connectivity with both the depositories i.e., NSDL and CDSL. As on 31 December 2020, approximately 99.25% of shares of the Company have been dematerialised. Shares of the Company are actively traded on the BSE Limited and the National Stock Exchange of India Limited.

Transfer of Shares in dematerialized form only

As per SEBI's notification SEBI/LAD-NRO/GN/2018/24 dated 8 June 2018, securities held in dematerialised form only are eligible for transfer. Accordingly, the requests for effecting transfer of securities (except in case of transmission or transposition of securities) are not processed, unless the securities are held in the dematerialised form with the depositories. The shareholders are requested to dematerialise their physical securities by sending a request to the Company's Registrar.

Updating necessary KYC details of registered and/or joint holders holding shares in physical form

All those shareholders who are yet to update their Income Tax PAN and bank account details with the Company are requested to do so at the earliest. The shareholders are also advised to intimate any change in address and/or name, submit National Electronic Clearing Service (NECS) or Electronic Clearing Service (ECS) mandates, nominations, e-mail address, contact numbers, etc., if not so done, by writing to the Company's Registrar & Share Transfer Agents, Link Intime India Pvt. Ltd., at Block 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Pune - 411 001 (Phone No. 020-2616 1629 / 2616 0084, Email: ashok.gupta@linkintime.co.in; umesh.sharma@linkintime.co.in; pune@linkintime.co.in) for providing efficient and better services. Members holding securities in dematerialised form are requested to intimate such changes to their respective depository participants.

Outstanding GDRs / ADRs / Warrants / Convertible Instruments

The Company has not issued GDRs or ADRs. There are no outstanding warrants or any convertible instruments.

Equity Shares lying in the Suspense Account

In compliance with Para F of Schedule V to the SEBI (LODR) Regulations, the information relating to the equity shares lying in the suspense account is given hereunder:

Particulars	No. of Shareholders	No. of Shares Outstanding
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	1	100
Number of shareholders who approached the Company for transfer of shares from the suspense account during the year	--	--
Number of shareholders to whom shares were transferred from the suspense account during the year	--	--
Number of shareholders and their outstanding shares transferred to the IEPF Account during the year	--	--
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	1	100

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Plant Locations

The Company has two manufacturing sites. The addresses of its plants are given below:-

Pune - Gat Nos. 922 & 923, Sanaswadi, Taluka Shirur, District Pune - 412 208,

Puducherry - Medium Scale Industrial Area, PIPDIC Industrial Estate, Mettupalayam, Puducherry - 605 009

Address for Correspondence:

i) For change of address and bank mandates:

- In cases of shares held in dematerialised form – Shareholders should contact their respective Depository Participant.
- In cases of shares held in physical form – Shareholders should contact the Company's RTA – Link Intime India Private Limited.

ii) For dividends and other complaints:

- Shareholders should contact the Company's RTA – Link Intime India Private Limited.

iii) For any other queries, information and matters relating to investor relations:

- Shareholders should contact the Compliance Officer of the Company at Foseco India Limited, Gat Nos. 922 & 923, Sanaswadi, Taluka: Shirur, District Pune 412 208, Contact number: +91 (02137) 668126 (Direct), 668100 (Board), +91 (02137) 668160 (Fax), E-mail ID: investor.grievance@vesuvius.com.

Credit Ratings

The Company has neither issued any debt instruments nor have any fixed deposit programme or any scheme or proposal involving mobilisation of funds, whether in India or abroad. Therefore, it was not required to obtain any credit ratings during the relevant financial year.

Disclosures

Related Party Transactions and Policy related thereto

There were no materially significant related party transactions with the Company's Promoters, Directors, Key Managerial Personnel, Management or their relatives, which could have had a potential conflict with the interests of the Company. The Company does not have any subsidiary or associate. Transactions with related parties are entered into by the Company in the normal course of business and are at arm's length. The details of transactions that are held in any quarter are tabled before the Audit Committee in the subsequent quarterly meeting for review and approval. Members may refer to the notes to the accounts for details of related party transactions.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules framed thereunder including the SEBI (LODR) Regulations. The policy has been placed on the website of the Company at **URL: FosecoIndia/View/policies.aspx**.

Compliance with Regulations

The Company has complied with the requirements of the Regulatory Authorities on Capital Markets. Neither has there been any instances of non-compliance by the Company on any matters related to the capital markets, nor has any penalty or stricture been imposed on the Company by the Regulatory Authorities or any Statutory Authority, on any matter related to Capital Markets, during the last three years.

Whistle-blower Policy / Vigil Mechanism

In line with the best Corporate Governance practices, Foseco India Limited has put in place a system through which the Directors, employees and business associates may report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics without fear of reprisal. The Company has put in place a process by which employees and business associates have direct access to the Audit Committee Chairperson, Managing Director and the Chairperson of the Board.

The Whistle-blower Policy is placed on the notice board of the Company, and its website at **URL: FosecoIndia/View/policies.aspx**.

Dividend Policy

Foseco's dividend policy is based on the belief that our shareholders should decide how best to utilise their funds retained in the Company that is surplus to the medium term cash requirements of the business. Therefore, the Company's dividend policy is to return to the shareholders that cash, which in the opinion of the Board, is in excess to the medium term cash requirements. In determining the future cash requirements of the business, the Board includes the following in its review:

- Working capital to support growth
- Capital investment to expand capacity and to maintain existing facilities
- Potential for acquisitions
- Possibility of contingent liabilities crystallising
- The projected business performance and internal cash generation
- Possible funding requirements
- Macro-economic and fiscal environment
- Contingency planning

Unclaimed Dividends

By virtue of the provision laid down under the Companies Act, 2013, the amount of dividend remaining unpaid / unclaimed for the period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company, shall be required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. Given below are the dates of declaration of dividend and corresponding dates when unpaid / unclaimed dividends are due for transfer to the IEPF:

Year	Date of Declaration	Due Date for Transfer
2013 – Final	22-Apr-2014	27-May-2021
2014 - 1st interim	09-May-2014	13-Jun-2021
2014 - 2nd interim	21-Jul-2014	25-Aug-2021
2014 - 3rd interim	14-Nov-2014	19-Dec-2021
2014 – Final	27-Mar-2015	01-May-2022
2015 - 1st interim	24-Apr-2015	29-May-2022
2015 - 2nd interim	22-Jul-2015	26-Aug-2022
2015 - 3rd interim	20-Oct-2015	24-Nov-2022
2015 – Final	26-Apr-2016	01-Jun-2023
2016 - 1st interim	20-Jul-2016	25-Aug-2023
2016 - 2nd interim	20-Oct-2016	25-Nov-2023
2016 - Final	27-Apr-2017	01-Jun-2024
2017 - 1st Interim	27-Jul-2017	31-Aug-2024
2017 - 2nd Interim	11-Nov-2017	16-Dec-2024
2017 - Final	24-Apr-2018	29-May-2025
2018 - 1st Interim	18-Jul-2018	22-Aug-2025
2018 - 2nd Interim	26-Oct-2018	30-Nov-2025
2018 – Final	26-Apr-2019	31-May-2026
2019 - 1st Interim	25-Jul-2019	29-Aug-2026
2019 - 2nd Interim	31-Oct-2019	05-Dec-2026
2020 – 1st Interim	22-Oct-2020	27-Nov-2027

Members who have not encashed their dividend warrants are requested to write to the Company's Registrar and Transfer Agents viz., Link Intime India Private Limited and have them encashed to avoid transfer to IEPF.

Unclaimed Equity Shares

In compliance with the requirements laid down in Section 124(6) of the Companies Act, 2013 read with the 'Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016', the Company has transferred all equity shares in respect of which dividends had remained unpaid or unclaimed by the shareholders

for seven consecutive years or more, to the Demat Account of the IEPF. However, the Shareholders are entitled to claim their shares including all the corporate benefits accruing on such shares, if any, from the IEPF Authority by submitting an online application in Form IEPF-5 and sending a physical copy of the Form IEPF-5 duly signed by all the joint shareholders, if any, as per the specimen signature recorded with the Company along with requisite documents enumerated in the Form IEPF-5, to the Company's RTA. The Rules and Form IEPF-5, as prescribed, for claiming back the shares, are available on the website of the IEPF www.iepf.gov.in. It may please be noted that no claim shall lie against the Company in respect of share(s) transferred to IEPF pursuant to the said Rules. The details of the shareholders whose equity shares had been transferred to the Demat Account of the IEPF is available on the website of the Company at **URL: Fosecoindia.com/View/Information_on_Transfer_of_Shares_to_IEPF.aspx**.

Payment of Dividend etc.

The Company through its Registrar and Transfer Agents – Link Intime India Private Limited (RTA) uses the electronic mode of payment facility approved by the Reserve Bank of India, i.e., NACH/NEFT/ECS/Direct Remittance etc., for making payment of dividends and other cash benefits to the shareholders. As specified in Schedule I to the SEBI (LODR) Regulations, the Company's RTA maintains the bank details of their investors as follows –

- (a) For investors holding securities in dematerialised mode, by seeking the same from the depositories,
- (b) For investors holding securities in physical mode, by updating bank details of the investors at their end.

In cases where either the bank details such as MICR, IFSC etc. that are required for making electronic payment are not available or the electronic payment instructions have failed or have been rejected by the Bank, the Bank issues 'payable-at-par' warrants for making payments to the investors. The RTA mandatorily prints the bank account details of the investors on such payment instruments and in cases where the bank details of investors are not available, the address of the investor on such payment instructions are printed. Where the amount payable as dividend exceeds Rs. 1500, the 'payable-at-par' warrants are sent by speed post.

Members holding securities in physical form are requested to intimate any change in address, change of name, bank details viz., account number, name of the bank and branch, MICR, IFSC etc., to the Company's RTA for updating these details against their folios. Members holding securities in dematerialised form are requested to intimate such changes to their respective depository participants.

Nomination

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder. The nomination facility in respect of shares held in electronic form is also available with the depository participants as per the byelaws and business rules applicable to NSDL and CDSL. Nomination forms are available on the website of the Company www.fosecoindia.com, which can be used by the Members for the said purpose.

CEO / CFO Certificate

The Managing Director / CEO and the CFO have furnished a compliance certificate to the Board of Directors under Regulation 17(8) read with Part B of Schedule II of the SEBI (LODR) Regulations.

Details of Compliance with Mandatory Requirements and adoption of Non-Mandatory Requirements

The Company has complied with the applicable mandatory requirements of the SEBI (LODR) Regulations.

The Company has adopted following non-mandatory requirements as specified in Part E of Schedule II of the SEBI (LODR) Regulations.

- A Non-Executive Chairperson is entitled to maintain a chairperson's office at the Company's expenses and also allowed reimbursement of expenses incurred in performance of his duties.



- The Chairperson of the Company and the Managing Director / CEO are different persons.
- The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meetings for reporting their findings of the internal audit to the Audit Committee Members.

Policy for determining 'material' subsidiaries

Your Company does not have any subsidiary(ies), therefore no policy have been framed by the Company.

Disclosure of commodity price risks and commodity hedging activities

The principal raw materials of the Company are zircon, phenol, inoculants etc. These are procured from the domestic suppliers. Some of the raw materials are procured from the overseas markets as well. In case the raw materials prices undergo upward revision and / or the imported raw materials are exposed to foreign exchange rate fluctuations, the price differences are adequately covered in the selling price of the finished products. The Company does not indulge in any commodity hedging activities.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Your Company has in place a Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Your Directors have to report that, during the year under review, neither any complaints of sexual harassment were received by it from the ICC, nor were there any complaints relating thereto which required any disposal thereof.

Compliance or otherwise of any requirement of Corporate Governance Report

The Company has complied with the requirements of the Corporate Governance and has made disclosures to the extent required and applicable to it, as stipulated in the SEBI (LODR) Regulations. These are the following:-

- Sub-paras 2 to 10 of Para C of Schedule V;
- Regulations 17 to 27; and
- Regulation 46 (2) (b) to (i).

PRACTICING COMPANY SECRETARY'S CORPORATE GOVERNANCE CERTIFICATE

The Company has obtained a certificate from a practicing Company Secretary confirming compliance of the conditions of Corporate Governance as stipulated in Para E of Schedule V of the SEBI (LODR) Regulations. The Certificate is annexed to this Report.

For and on behalf of the Board of Directors

Ravi Moti Kirpalani
Chairperson
DIN: 02613688

Place: Gurgaon
Date: 6 May 2021



DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

As required under Regulation 34(3) read with Para D of Schedule V to the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, I hereby declare that the Company has adopted a Code of Conduct and Ethics for all Board Members and Senior Management of the Company. The Code is available on the Company's website.

I further declare that the Company has in respect of the financial year ended 31 December 2020, received from all the Board Members and Senior Management Personnel of the Company, an affirmation of compliance with the Code, as applicable to them.

For Foseco India Limited

Place: Gurgaon
Date: 6 May 2021

Ravi Moti Kirpalani
Chairperson



Compliance of Corporate Governance requirements - Certificate

To,

The Members of Foseco India Limited

Gat No. 922 and 923, Sanaswadi, Tal: Shirur,

District Pune – 412208,

Maharashtra, India

I have examined the compliance of conditions of corporate governance by Foseco India Limited, for the year ended on 31st December, 2020, as stipulated in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to us, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchanges.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **RAJESH KARUNAKARAN & CO.,**

COMPANY SECRETARIES

RAJESH KARUNAKARAN

COMPANY SECRETARY

FCS No. 7441/CP No. 6581

UDIN - F007441C000251718

Pune, 6th May 2021

Management Discussion and Analysis

INTRODUCTION

FOSECO is the Foundry Technologies Division of Vesuvius Group plc. engaged in supporting the development of global steel and foundry manufacturing processes with new technologies. It has manufacturing capabilities in all the major steel and foundry markets across the world and is a leader in supply of consumables and solutions related to the foundry industry. FOSECO as the name stands originates from the term **FO**undry **SE**rvices **CO**mpany. Foundry Services was born of an idea that took shape in a small town of Birmingham in England in 1932. One of the most recognised brand names in the world, it has become an integral part of the foundry industry as a supplier of high quality consumable products to the various sectors.

Foseco's primary customers are ferrous and non-ferrous foundries serving various end-markets from large bespoke castings to high-volume automotive pieces. Foseco is a world leader in products and services that serve the global foundry industry, improving casting quality and foundry efficiency. It continuously focusses on technical service, market leading technology supported by above industry average investment in R&D to provide business enhancing solutions to its customers. It has manufacturing footprints close to all the main foundry markets in the world. It trains its engineers who are progressively integrated within the global network of experts. Local manufacturing, local expertise and leveraging global knowledge of the foundry processes positions Foseco in a special relationship with its customers. Helping them optimise their processes and product performances, it provides its customers, products and expertise to create best solutions and reap full benefits for success.

FOSECO'S BUSINESS MODEL

Foseco operates a profitable, flexible, cash generative and growth-building business model centred around strong Customer Relationships and local presence. It has built the brand equity of its products through reliability, technology and service over many decades. Foseco provides a comprehensive range of foundry technologies, equipment and consumable supplies backed by world-leading foundry process and product application expertise. Understanding the need of the customers and offering them solutions that are unique, puts Foseco on a different footing than its competitors. These are delivered to the customers by an international team of experts, passionate about consistently creating better castings through a partnership model with foundries. The value addition is made through improvements in process capability, casting yields, resource utilisation, efficiency and development of new business opportunities.

Foseco's Target Customer Segments

Foseco services the needs of the following industrial sectors:



Foseco's Key Strength

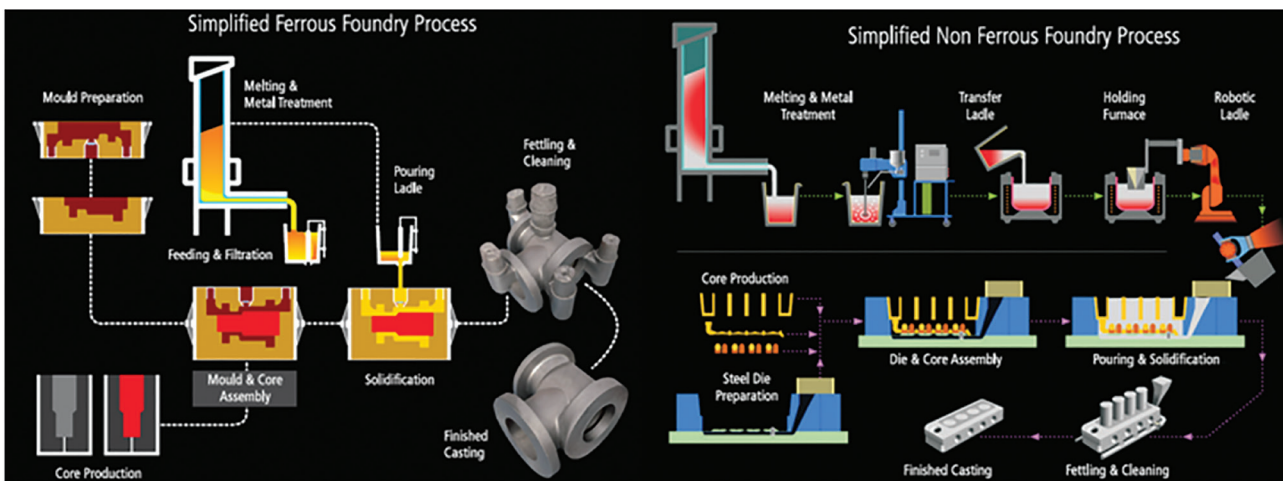
- **Solutions Offering:** Our local and international team continuously work on developing new toolkits based on detailed knowledge of customer's processes so as to offer innovative /customised solutions
- **Products Offering:** Full range of high quality products and services
- **Innovation:** Industry-leading technologies with a focus on continuous innovation
- **Technical Support:** Access to Foseco's extensive application engineering resources
- **Proximity:** Global presence and extensive reach in India

FOUNDRY PROCESS AND OUR STRATEGY

The Foundry Process

Foundries have a huge role to play in the industrial development of India. A foundry is a factory where castings are produced by melting the metal, pouring the liquid in a mould, allowing it to cool and solidify into the desired shape. Foundries produce metal products for railroads, engine, tractor, mining, earth moving machinery, pipe components, natural gas industries and machines used to make essential everyday consumer products.

Foseco is a leading supplier of consumable products, solutions and associated services in various areas of the foundry process, as explained in the diagram below:



Casting quality as a driver for demand

Foseco products typically represent less than 5% of a foundry's production cost. However, it contributes significantly in improving product quality and manufacturing efficiency, whilst reducing the environmental impact of the casting process and improving the ratio of finished castings to the amount of metal poured – a key parameter of foundry efficiency. As castings become increasingly complicated (driven in the case of automotive casting by the need for lightness), they demand cleaner metal, better flow into the mould, and more consistent solidification. This supports the computer modelling, flow simulation and casting methoding capabilities that are central to the services provided by Foseco.

Business Strategy

Foseco India follows the strategy of "Solution Partnering" that is founded on five core area of strength viz., Product Technology, Application Expertise, Process Knowledge, Process Control and Customer Relationships. The Solutions offered help the customers improve their business performance wherever possible and reducing environmental impact by using environmentally friendly products that conserves natural resources. It continually works to improve its Solutions offerings to deliver the Greatest Value to its customers.

Product Technology: Foseco is the only supplier that offers products and services across the entire foundry process in both Ferrous and Non Ferrous areas. This global proprietary consumable product technology consists of:

- 
▪ Coatings
- 
▪ Metal treatment
- 
▪ Metal Filtration
- 
▪ Binders
- 
▪ Feeding Systems
- 
▪ Crucibles
- 
▪ Flow Control

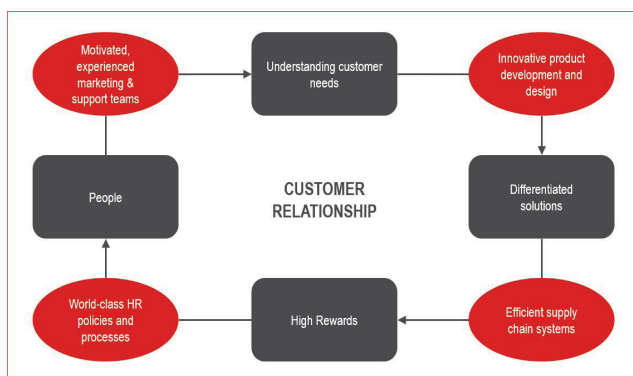
Application Expertise: Foseco team maintains an in-depth knowledge of customers' operations and application of its products across a wide range of foundry processes.



Process Knowledge: Foseco's engineers possess in-depth understanding of customer's processes for manufacturing of casting from melting to post cast treatment.

Process Control: Foseco's range of sophisticated and State-of-the-Art Process Control equipments help ensure process management, measurement, consistency, improved productivity and reliability of cast components.

Customer Relationships: A conviction that customer partnerships, where expertise and knowledge are shared, result in the greatest performance improvements for its customers, is the cornerstone of Foseco's strategy.





Our offerings to various metal types are:-

Iron

Iron casting is split between grey and ductile iron with grey iron representing the majority of metal being cast. This is a cost-efficient and robust process to produce components that do not need to tolerate extreme mechanical stress. All iron casting requires filters and coatings but grey iron is not as reliant on feeding system utilisation due to its lower shrinkage on solidification. Conversely, ductile iron production requires more sophisticated products to cope with the high shrinkages of metal whilst solidifying.

Steel

Steel is used in castings for manufacturing components with very high mechanical performance. Steel castings is the most demanding casting process due to higher melting temperatures and greater tendency for shrinkage, thus the greater demand for products viz high performance feeders, high temperature resistant filter and robust coatings and technical expertise in this segment.

Aluminium /Non Ferrous

Aluminium casting is the fastest growing segment of the foundry market. It has captured a significant share of the light vehicles market. Being molten below 700°C, aluminium can be cast in iron moulds which can be reused. Foseco concentrates on supplying fluxes, filters and machines that refine the composition and cleanliness of the metal.

ECONOMIC AND INDUSTRIAL HIGHLIGHTS

The Global Economy

The year 2020 will be remembered as a watershed year for the whole world and will go down in the annals of history as The Great Disruptor due to the large scale impact of the coronavirus disease (COVID-19) pandemic. No matter where a person lived in the world, each one of them and their family have been impacted, and their lives disrupted. The COVID-19 pandemic, massive unemployment, children out of school, governments in the forefront of making major health care decisions, 2020 has the potential to be a transformative year, one leading to fundamental change in the fabric of society. The COVID-19 pandemic is still unfolding around the globe. Across continents, the virus has receded in some countries but surged in others. The global economy has started to recover after a sharp contraction in the second quarter of 2020, as nationwide lockdowns are lifted and has been replaced with containment measures taken by various governments. The Covid-19 pandemic has sent economies across the globe into a tailspin. The impact of the pandemic would not be limited to a year, but will cascade over at least the next 5 years.

2019 registered the slowest global economic growth. The slowdown has continued in 2020 registering the year as one of the slowest in the decade. It resulted in social unrests and worsening financial conditions in certain countries. With the economic environment becoming uncertain, companies cut down on long term capital spending resulting in decelerated purchases of machinery and equipment globally.

Indian Economy – Opportunities and Threats

In March 2020, when the lockdown was made effective, the Indian government offered immediate relief by announcing a series of stimulus measures with the aim to boost demand and supply. The ambitious Atmanirbhar Bharat Abhiyaan, gave an impetus to the domestic industry especially the Micro, Small and Medium Enterprise (MSME) sector which was hit the hardest by the lockdown. Added to that was the moratorium placed by the Central Government on the operations of the Insolvency and Bankruptcy Code (IBC) which was extended twice to remain in effect till 31 March 2021 including raising the threshold limit for filing the case against defaulters to Rs. 100 lakh. Despite the above measures, demand was hit, the global supply chain was disrupted and India witnessed a massive reverse migration among the labourers. The important economic indicators, whether Gross Domestic Product or Index of Industrial Production, were either scaled lower or dropped to negative terrain. With the rising tension on the Indian border with China, the trade and commerce was badly

hit. This will have negative impact on the foundry industry for some time. However, according to the Economic Survey 2021, the rebound in economic activity and the government's structural reforms is expected to push the Indian economy past its pre-Covid level in two years.

Foundry Market Insights

India continues to be the second largest casting producer in the world, behind China. The Indian foundry industry manufactures metal cast components for applications in Auto, Tractor, Railways, Machine tools, Pipes Defence, Aerospace, Construction, Mining, Textile, Cement, Electrical, Power machinery, Pumps / Valves, Wind turbine generators etc. Despite an unprecedented slowdown in 2019 followed by the pandemic in 2020, the prospects for the Indian foundry industry look positive in the medium term. India has the demographic advantage and as the economy picks up, the demand for castings will increase. In the second half of 2020, the automotive demand started recovering with the release of pent-up demand, the need for personal mobility and further aided by the relatively less impacted rural economy. The automotive industry started filling the supply chain with BS-VI compliant vehicles after phasing out the BS-IV vehicles. In 2020, the tractor production and sales grew over 2019 despite drop in exports due to good monsoons and government's push to boost rural economy, despite some disruption caused by the farmers agitation. The government has announced the scrappage policy for government vehicles to come into effect from 1 April 2022, which will create some demand in the years following. The government is expected to continue increasing its investment on improving the railways and building other essential infrastructure, creating increased demand for construction, mining and general engineering goods. The Machine Tools segment is also expected to recover with the recovery in automotive segment. With uncertainty surrounding the US-China trade relations and increasing environmental and labour costs in the Europe, Indian foundry industry could be an attractive option for sourcing castings.

Some of the challenges faced by the industry in general may continue for some more time. The new investments in oil, gas and petrochemicals industry have slowed down, negatively impacting demand for steel valves. The raw material cost for foundries are rising faster, making it difficult for foundries to recover it from the original equipment manufacturers (OEMs), thus putting pressure on their profitability. The liquidity continues to remain weak, but the true picture will emerge after the loan moratorium period gets over and the IBC cases resumes. The foundries need to invest in new technologies to meet the tightening environmental regulations and to develop export markets. The drive towards Electric Vehicles will change the kind of castings to be produced. The speed at which the transition will happen remains to be seen. Technology like 3D printing can be a huge disruptor, though currently, the commercial viability is weak.

New Government Initiatives

As part of the Atmanirbhar Bharat Abhiyaan, the government has provided new definition to MSME thus covering almost 99% of all business entities enabling MSMEs to grow in size and create jobs. More and more foundries have started enjoying the benefits provided to MSMEs and their expansion and investment in technology could help Foseco partner with them.

Key growth drivers of the market

Foundries across India are presently facing demand shrinkage and trying to develop new castings for domestic as well as export markets. Some of them are upgrading facilities and technologies in a bid to improve their productivity and reduce costs. Tightening environmental regulations and drive towards more sustainable solutions are the other key factors for upgrading technologies and processes. Foseco is and will always remain at the forefront of technology and innovation which helps in creating an opportunity for being a solutions partner of choice for the foundries.



FOSECO'S PERFORMANCE HIGHLIGHTS

2020 had been a challenging year, with the pandemic shrinking market demand and disrupting the supply chain. Yet, Foseco demonstrated its ability to react and adapt with courage and resolve to these challenging market conditions. Foseco will continue to maintain its pre-eminent position despite the market conditions.

Foseco India is best geared to serve the foundry industry in the ever-increasing volatile, uncertain, complex and ambiguous (VUCA) environment. The Company continues to partner with the foundries to provide products and solutions leveraging its technology leadership position. It continues to commercialise new technologies that are helping the foundries reduce the usage of plastic, produce castings that meet the cleanliness requirement of BS-VI vehicles, and reduce their carbon footprint. Its global outreach and foundry process expertise is helping it to introduce the global best practices in Indian foundries. The Company is also helping global OEMs to source castings from India. Major customers assign premium value to the company for providing technological solutions to their production process and therefore they continue to give an increased share of their business to the Company, thus helping it to increase its overall share of the foundry market.

The Company implemented the necessary actions to adapt its manufacturing facilities to face the market with these new economic challenges. Thanks to this strong response, the Company is now in a good position to confront the challenges of the coming months and years. At the same time, it intensified its R&D and new product development efforts, with the clear objective to prepare the ground for the reinforcement of its long-term leadership in the markets. To meet the ever-growing demand of the foundry industry of high-grade filter products, the Company had set up a state-of-the-art filter facility to cater to the domestic market. The filter facility has now started production. The customers will be greatly benefitted, as it will help them reduce the uncertainties, long lead times and large inventories associated with imports, while also developing new filters customised to their requirements.

The Company's first priority in 2021 will be to grow the sales and further strengthen its market position in the foundry industry, in all divisions and in every region. While doing so, it will maintain its focus on profitability and on working capital performance. At the same time, the commitment towards safety of its people and the best-in-class quality of the products will remain unwavering.

Foseco's continued success will rest on its highly-engaged and talented people, aligned around a common purpose and objectives. With the ever-improving quality of innovative products and solutions offering, the strength of its optimised manufacturing cost base, and above all, the strong support and commitment of its people, the Company is confident of meeting with success.

Financial Performance

Table 1: Abridged Profit and Loss Account (Rs. in Lakh)

Particulars	2020	2019
Total Revenue from Operations	25,115	32,252
Operating Expenses	(22,415)	(26,869)
EBITDA	2,700	5,383
Depreciation	(591)	(420)
PBIT	2,109	4,963
Finance Charges	0	0
PBT	2,109	4,963
Tax	(565)	(1,510)
PAT	1,544	3,453

During the year under review, the Company witnessed a drop in sales revenue by 22.1%. Sales was weak in comparison to the previous year due to the country-wide lockdown and effects of the Covid-19 pandemic. The Profit After Tax was lower as the raw material prices witnessed a steep rise which could not be off-set by rise in the prices of finished goods. The Company undertook series of measures like better price management in a very competitive market, control over discretionary expenses, improved product-mix and customer-mix, gain in business, etc. The Company generated Rs. 3029 Lakh cash from its operations in 2020 as against Rs. 4684 Lakh in 2019.

Table 2: Key Financial Ratios

Particulars	2020	2019
PBIT/ Total Revenue	8.19%	15.38%
PAT/ Total Revenue	6.00%	10.71%
ROCE	11.51%	28.82%
RONW	8.45%	20.15%
Debt Equity Ratio	0	0
Current Ratio	2.74	2.70
Debtors Turnover	3.87	4.43
Inventory Turnover	8.85	8.92

Disclosure of Accounting Treatment – Adoption of Indian Accounting Standards (Ind-AS)

The Company has followed the Indian Accounting Standards (Ind-AS) for drawing-up its accounts as prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. There are no audit qualifications in the Company’s financial statements for the year under review.

Health, Safety and Environment (HSE)

Foseco strives to achieve the highest standards of HSE practices, having adopted an Integrated (Quality, Health, Safety and Environment) Management System (IMS) accredited to ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007. The Company has well established HSE standards and monitoring process for each of its operations. Every employee is required to conduct safety audits and suggest safety improvement opportunities. These improvement opportunities are reviewed by HSE team members and wherever feasible these are implemented in the safety culture journey. It also runs continuous improvement programs for employee’s health and environment. To increase HSE awareness amongst employees, Foseco regularly conducts internal competition and participates in competitions organised by trade bodies.

Quality and Reliability

Reliability in quality and delivery is vital to Foseco’s customers as they use its products in critical areas of their processes. Reliability therefore is a primary commitment of Foseco, which it strives to deliver through best-in-class quality management in its production sites. Its quality systems define the commitments and responsibilities which apply to all aspects of the business. A new “Turbo Q” quality initiative, launched a few years ago, has been instrumental in continuous improvement of quality standards and processes.

Operations

Foseco India has state of the art manufacturing facilities in Pune and Puducherry. It also imports products from its group manufacturing locations in other parts of the world. Foseco operates in a cellular manufacturing structure. Each cell is “a factory within a factory” and has end-to-end responsibility of the entire supply chain process – from purchase to manufacturing process to despatch. This workflow ensures that the entire cell team is responsible for safety, quality, production, cost and



product delivery. Foseco is progressively using operational excellence tools to standardise its processes and activities and ensure efficient systems to delight customers. With the Lean philosophy, Foseco is becoming more flexible to take new challenges in customer satisfaction. These initiatives are very well backed by innovative engineering practices and solutions. A new filter manufacturing line has been installed and commissioned at Pune to penetrate the local market. This line has many new features like robotic arm foam feeder etc. A new Precision sleeve making machine is also installed at Pune to augment plant capacities and the electrical infrastructure of the plant upgraded to support the increasing requirements.

Human Resources

Foseco strongly believes that Human Resources are its greatest strength and the catalyst for Organisation's Success. The HR function is continually investing in Developing, Attracting and Empowering the employees towards better tomorrow. The Company's CORE (Courage, Ownership, Respect and Energy) Values, practices and researched methods are constantly embedded into every employees during the employee's lifecycle and beyond.

During the year, with the backdrop of pandemic, the Management continuously maintained its engagement with the employees by communicating on Business Update and plans through the Town Hall meetings. This had helped everyone to keep themselves abreast with the organisation strategies, goals and aligned them for a common objective. In view of COVID-19 outbreak, HR strategies have been upended subsequently to give utmost importance to safety and well being of the employees and their families. All necessary action measures were taken to keep the workplace safe like maintaining social distancing, wearing masks, PPE kits and use of sanitisers. The organised awareness drives through personal connect and sessions such as yoga, employee mental well-being and health awareness etc., turned out to be a key factor to connect and support our employees in their difficult times. Employees came forward and volunteered in Company's Community support initiative of helping local villagers and police stations during the lockdown.

I Engage – a global Employee Culture and Engagement survey has completed during the year, which has given an opportunity to employees to express their views, opinions and suggestions about the Company and the top management. This helps the Company and the management to know where it stands in creating an inspiring and positive work environment.

The year was also focused on digitalisation of HR services. Numerous competency building programmes were conducted for all functions as part of employee development program. All these initiatives and projects helped to keep employees motivated thus contributing towards organisational growth and success.

Corporate Social Responsibility Initiatives

As always, Foseco India continued with its CSR initiatives in the areas of education, healthcare, social causes, environment and information technology.

The Company's collaborative partnerships with communities are manifest in its CSR based programmes. CSR projects are undertaken by partnering with the renowned Non-Governmental Organisation. The initiatives taken during the year were focused on rehabilitation of people hit by the COVID pandemic, education, technology, sanitation through provision of better quality infrastructure, skill building programmes and improving the overall quality of lives of people residing in the vicinity of the Company's plants. During the pandemic, Foseco India Employees were involved in lending support to COVID-19 crises affected people in the vicinity of the Company's plants. The Company supplied hand sanitizers, face masks, PPE kits to hospitals for use by healthcare workers and at police stations, distributed food packets among the local communities in the villages surrounding the Company's plant.

In the area of healthcare, the Company continued its association with Jehangir Hospital for detecting juvenile diabetics in young boys and girls and supporting their families by distributing medicine and diabetics kits for the treatment of diabetes. During the lockdown, the hospital pressed its ambulance into service for supplying regular medicines to the patients at their homes in far-flung rural areas thus providing yeoman service to the society.

The Company is sensitive towards environment and social requirements. It had supplied biomass cookstoves under the banner of “Happy Family Kit” to the deserving and needy families in the slum, rural and semi-urban communities. This unique cookstove is environment friendly as it emanates less smoke in comparison with traditional cookstoves that adversely affects the health of the women cooking food for their families. These cookstoves had found favour with these communities as it is convenient to use. Due to its relevance to the community, it has created huge, favourable and visible impact in the lives of the beneficiary community. Print and digital media had given wide coverage to this noble cause.

In the financial year ended 31 December 2020, many ambitious projects were completed to which the Company was committed for completion. The Company will continue to work on social projects which are within the ambit of its CSR Policy that will lend great help to the society in the long run.

Information Technology

Foseco's IT systems are very robust which is running seamlessly since the lockdown lending support to the people working from home. The IT processes of the Company are accredited to ISO 9001:2015.

Internal Control Systems and Their Adequacy

Foseco adopts a rigorous system of Internal Control and Risk Management to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition and that transactions are authorised, recorded and reported quickly. In addition, the Company has a well-structured system of risk assessment and risk reporting.

The Company's internal controls are supplemented by an extensive program of internal audits, review by management and documented policies, guidelines and procedures. The internal controls are designed to ensure that financial and other records are reliable for preparing financial information and other data and for maintaining accountability of assets. During the year, due care has been exercised by the Company with respect to all the requirements of the Company Law and Listing Regulations.

Cautionary Statement

Statements in the Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results might differ materially from those expressed or implied. Important developments that could affect the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws, and other factors such as litigation and industrial relations.

For and on behalf of the Board of Directors

Ravi Moti Kirpalani
Chairperson
DIN: 02613688

Place: Gurgaon
Date: 6 May 2021

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L24294PN1958PLC011052
2	Name of the Company	Foseco India Limited
3	Registered Address	Gat Nos. 922 & 923, Sanaswadi, Taluka Shirur, Pune – 412 208
4	Website	www.fosecoindia.com
5	E Mail ID	investor.grievance@vesuvius.com
6	Financial Year Reported	January 1, 2020 to December 31, 2020
7	Sector(s) that the Company is engaged in (Industrial Activity Code-wise)	NIC Code 0108. Manufacturer of Foundry Chemicals & Fluxes
8	List three key products/services that the Company manufactures/ provides (as in balance sheet)	1. Industrial Dry Powders, 2. Coating Products, 3. Resin Products. 4. Ceramic Filters 5. Exothermic Sleeves
9	Total number of locations where business activity is undertaken by the Company	(a) Number of International Locations (Provide details of major 5): The company does not have any international location. (b) Number of National Locations: The Company operates from 2 locations in India – Pune, Maharashtra and Union Territory of Puducherry
10	Markets served by the Company – Local/State/ National/International	National & International markets

SECTION B: FINANCIAL DETAILS

1	Paid up capital	Rs. 638.65 Lakh
2	Total Turnover – Revenue from operations	Rs. 25,115.04 Lakh
3	Total profit after taxes	Rs. 1,543.68 Lakh
4	Spending on Corporate Social Responsibility (CSR) as a %age of average profit for last 3 financial years	The limit of spending is 2% of the average profit for the last 3 financial years. Rs. 101.05 Lakh was spent during the year ended 31 December 2020.
5	List of activities in which expenditure in 4 above has been incurred	COVID 19 rehabilitation, healthcare, technology, social causes, sanitation and environment preservation.

SECTION C: OTHER DETAILS

1	Does the Company have any Subsidiary Company/ Companies?	The Company does not have any subsidiary.
2	Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not Applicable.
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	No entity that the Company does business with, participate in the BR initiatives of the Company

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

1. Details of the Director / Director responsible for implementation of the BR and BR Head:

BR Director and BR Head

Name	Designation	DIN	Telephone	Email ID
Sanjay Mathur	Ex-Managing Director*	00029858	02137-668100	
Dr Ujjal Bhattacharjee	Director**	08083932	02137-668100	ujjal.bhattacharjee@vesuvius.com

* till 31st December, 2020

** from 1st January, 2021

2. Principle-wise as per National Voluntary Guidelines (NVGs) BR Policies

The NVGs on social, environmental and economic responsibilities of business prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

Principle 1 (P1)	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
Principle 2 (P2)	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
Principle 3 (P3)	Businesses should promote the well-being of all employees.
Principle 4 (P4)	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5 (P5)	Businesses should respect and promote human rights.
Principle 6 (P6)	Businesses should respect, protect, and make efforts to restore the environment
Principle 7 (P7)	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
Principle 8 (P8)	Businesses should support inclusive growth and equitable development.
Principle 9 (P9)	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

BR Policies and coverage of NVG nine principles

Sr. No.		P1	P2	P3	P4	P5	P6	P7	P8	P9
		Ethics & Transparency	Product Responsibility	Human Resources	Corporate Social Responsibility	Respect for human rights	Protect the environment	Public Policy Advocacy	Inclusive Growth	Customer Engagement
1	Is there a policy for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Has the policy been signed by MD / owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Does the Company have a specified committee of the Board / Director / Official appointed to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Indicate the link for the policy to be viewed online	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*
8	Has the policy been communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have an in-house structure to implement the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Does the Company have a grievance redressal mechanism to address stakeholders' grievances related to the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
11	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	-	-	-	-	-	-	-	-	-

* All Policies as approved by the Board of Directors can be viewed online on the website of the Company: www.fosecoindia.com under the heading 'Investor Information' – 'Policies & Other Disclosures' Section.

Notes:

- (1) The policies have been developed based on the best practices or as per the regulatory requirements.
- (2) Some of the policies are linked to the following National / International Standards: International Organization for Standardization (ISO 9001, ISO 14001) and Occupation Health and Safety Assessment Series (OHSAS 18001).
- (3) The policies are internally evaluated by the Management and the Board.

3. Governance related to BR:

- (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

The Managing Director and senior management of the Company monitor various aspects of social, environmental, governance and economic responsibilities of the Company on a continuous basis. The BR performance is reviewed by the Board of Directors on an annual basis. During the year under review, the CSR Committee met one time, while the Stakeholders Relationship Committee of Directors met four times each, to take cognisance of the BR.

- (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The Company prepares and publishes the BR Report on an annual basis. The BR report will be placed on the Company's website. The hyperlink is: <http://fosecoindia.com/View/policies.aspx>.

The publication of the Business Sustainability Report is not applicable to the Company.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

The Company's governance practices are administered by the Board of Directors and committees. Its robust framework ensures that its daily operations are conducted in a transparent and accountable manner. The Company's zero tolerance in the matters relating to unethical practices, bribery and corruption, has helped it to gain the confidence and trust of its stakeholders. These policies extend to the Group, the Suppliers and the Contractors too. and The Company has laid down an effective whistle blower mechanism enabling stakeholders, including individual employees to freely communicate their concerns about illegal or unethical practices. The policy also provides contact details of the Chairperson of the Board and the Audit Committee apart from that of the Managing Director and the Chief Financial Officer for direct access.

During the financial year 2020, one complaint was received from the stakeholder which was attended to and resolved within the stipulated time.

PRINCIPLE 2: Business should provide goods and services that are safe and contribute to sustainability throughout their cycle

Customers continued to benefit from the Company's range of products designed to improve quality, productivity, efficiency and the environment, which translated into the following improvements:

Productivity Improvement: Productivity improvement is done due to Recipe Engineering of Feeding system product.

Cost Reduction/Pollution Control: The INSTA range of coatings of the Company, has reduced the usage of plastic buckets which has resulted in sufficient cost benefit to the Company and the customers.



Your Company has a dedicated Research & Development Team that is focused on creating innovative products for its customers that meet global standards and are environmentally sustainable, reflecting its commitment to environmental sustainability.

Your Company has also undertaken other initiatives and energy efficient measures at its office premises such as use of LED lights. It has embraced an e-waste management system. The waste generated at the Company is handed over to the e-waste recycling vendor who picks up the e-waste and disseminates it carefully for safe disposal as per the statutory norms.

PRINCIPLE 3: Businesses should promote the well-being of all employees

Creativity and innovation with a culture of care and concern for the employees enhances value creation for all its stakeholders. An employee welfare initiative Project MUSKAAN gives Foseco employees an outlet for their thoughts and feelings, maintaining delicate work-life balance, engaging with the society, etc. Through it the employees can reach out and speak to a counsellor and seek advice on physical and mental health. Employee well-being is ensured through regular medical check-ups and other benefits provided in accordance with medical needs. The Company practices a set of values CORE (Courage, Ownership, Respect and Energy) which are imbedded into every employees right from the time of their joining which continues during the course of employment. An extensive commentary on the well-being of the employees is covered in the 'Management Discussion and Analysis' Report.

PRINCIPLE 4: Business should respect the interests of and be responsive towards all stakeholders especially those who are disadvantaged, vulnerable and marginalized.

The Company's CSR activities focus on the disadvantaged, vulnerable and marginalised segments of society. The Company's collaborative partnerships with communities are manifest in its CSR based programmes. CSR projects are undertaken by partnering with the renowned Non-Governmental Organisation primarily Rotary Clubs. The initiatives taken during the year were focused on rehabilitation of people hit by the COVID pandemic, education, technology, sanitation through provision of better quality infrastructure, skill building programmes and improving the overall quality of lives of people residing in the vicinity of the Company's plants. These initiatives augment the natural resource base and create sustainable rural livelihoods.

PRINCIPLE 5: Business should respect and promote human rights

The Company policies support, respect and protect the human rights of its direct as well as indirect employees. Human rights' covers a host of aspects including non-discrimination, gender equality, freedom of association, collective bargaining, avoidance of child and forced labour among others. Your Company is compliant to national regulations pertaining to human rights. There was no instances of any human right violation during the year under review.

PRINCIPLE 6: Business should respect, protect and make efforts to restore the environment

In pursuit of its HSE Policy commitments, the Company has established management systems, certified by accredited agencies in line with international standards like ISO 14001 and OHSAS 18001. Within the purview of certified management systems, contingency plans are developed and implemented to prevent, mitigate and control environmental disasters. An integrated sustainability database management system implemented across the Company ensures monitoring and reviewing of sustainability performance through defined key performance indicators. The Company has focused on safety as a value-led concept by inculcating a sense of ownership at all levels and driving behavioral change towards creation of a safety culture. In line with this, the Company's HSE Policy is also displayed at the manufacturing locations.

At Foseco, the employees are trained to operate and maintain the facilities in an environmentally responsible and safe manner which helps to drive year-on-year improvements to our Health, Safety and Environment. To further the commitment towards the environment and also to ensure uninterrupted power to the plant, the Company has installed flameproof LED lights in the plant and office area.

PRINCIPLE 7: Business when engaged in influencing public and regulatory policy should do so in a responsible manner

The Company's engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and the need to balance interests of diverse stakeholders. The Company has adopted a policy on **Dissemination of Information to the Market Policy**. This document briefly summarises the policies and guidelines adopted in relation to the Company's communications with investors, analysts and the Market generally. Any amendment to the Company's policies on these matters requires the approval of the Board of Directors. The following individuals have exclusive responsibility (subject to the directions from the Board) for the Company's communications with the Market: a) Ravi Moti Kirpalani – Chairperson, and b) Sanjay Mathur - Managing Director (ceased to be a Director of the Company at the close of work on 31st December 2020). In the normal course, no other individuals within the Company are authorised to communicate with the investors, analysts or the Market without the actual involvement or express permission of at least one of the persons named above. As on 31 December 2020, your Company was a member of the following trade association – Mahratta Chamber of Commerce and Industry and Agriculture (MCCIA).

PRINCIPLE 8: Business should support inclusive growth and development

Your Company subscribes to Corporate Social Responsibility and seeks to be a responsible organization by engaging in strategic community development interventions that are aimed at enhancing skills and developing social infrastructure to uplift communities residing in the vicinity of Company's plants at Pune and Puducherry and improve their quality of life. In the field of education, the Company has developed infrastructures in educational institutions, constructed science laboratories and provided e-learning kits to several schools and colleges, constructed digital classrooms with all the modern state-of-the-art technology. In association with NGO, the Company has done various training programs in schools for teachers where it recognised an acute shortage and underutilisation of technology in teaching. All these helps in skilling and development of the community at large.

PRINCIPLE 9: Business should engage with and provide value to their customers and consumers in a responsible manner

As an organisation which upholds and makes significant efforts to ensure good governance, the Company complies with all relevant laws of the land. The Company's uncompromising commitment to providing world-class products and services to customers is supported by its concern for its customers. The Company adopts the best manufacturing practices and robust quality assurance systems for its products. The Company believes in offering more value for our customers, in more ways than one. Our customer centric approach encompasses :

1. Delivering value added products conforming to requirements .
2. Practicing stringent quality standards to ensure safe, effective and easy to use products.
3. Soliciting customers feedback, insights and timely addressing their issues.

The Company connects with its customers through a two way engagement process by which detailed information for all products is given, which also complies with all applicable labeling codes and specifications. The Company deals with the customer in a transparent and ethical manner, eliminating any form of miscommunication or misunderstanding. The Code of Conduct guides the employees while engaging with customers. The Company periodically carry out a customer satisfaction survey.

There is no anti-competitive, abuse of dominant position or unfair trade practices case pending against the Company.

For and on behalf of the Board of Directors

Ravi Moti Kirpalani
Chairperson
DIN: 02613688

Place: Gurgaon
Date: 6 May 2021



The Board of Directors
Foseco India Limited
Sanaswadi,
Pune – 412 208

10 February 2021

**CERTIFICATION BY
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**

In compliance with Regulation 17(8) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 read with Part B of Schedule II, we hereby certify that:-

We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31 December 2020, and that to the best of our knowledge and belief:

- (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the aforesaid period which are fraudulent, illegal or violative of the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware, and that we have taken the required steps to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee that:

- (a) there have been no significant changes in internal control over financial reporting during the year.
- (b) there have been no significant changes in accounting policies during the year and that adequate disclosure have been made in the notes to the financial statements, and
- (c) there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Ujjal Bhattacharjee
Director

R Umesh
Chief Financial Officer

Financial Statements



Independent Auditors' Report

To the Members of Foseco India Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of Foseco India Limited ("the Company"), which comprise the balance sheet as at December 31, 2020, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at December 31, 2020, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities 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 together with the ethical requirements that are relevant to our audit of the financial statements 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to Note 29 (d) to the Financial Statements, which describes the remuneration amounting to Rs. 508.66 lakhs paid to the former Managing Director which exceeds the limits prescribed under section 197 read with Schedule V to the Act by Rs. 256.30 lakhs and accordingly, is subject to the approval of the shareholders by way of a special resolution in the ensuing annual general meeting. Our opinion is not modified in respect of this matter.

Key audit matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Revenue recognition</p> <p>Refer Note 1 (d) and 17 to the Financial Statements.</p> <p>The Company recognises revenue in accordance with Ind AS 115 “Revenue from Contracts with Customers”.</p> <p>Revenue from the sale of products is recognized when control of products being sold is transferred to customer and there is no unfulfilled obligation and it is measured at fair value of the consideration received or receivable, after deduction of any discounts and taxes or duties collected on behalf of the government such as goods and services tax etc.</p> <p>We have considered revenue recognition as a key audit matter since there is a risk of material misstatement; and additional disclosures are required to be made in accordance with the applicable accounting standards.</p>	<p>Our testing of revenue transactions was designed to cover certain customer contracts. Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding, evaluating the design and testing the operating effectiveness of controls over revenue recognition process including contract monitoring, billings and approvals; • Evaluating the contract terms for assessment of the timing of transfer of control to the customer to assess whether revenue is recognised appropriately; • Testing whether the revenue recognition is in line with the terms of customer contracts; • Assessing whether fair value of consideration received, or receivable has been determined appropriately in terms of the customer contract, reviewing customer correspondence and verifying pre and post year end cut-off had been appropriately applied; • Testing of journal entries for unusual/irregular revenue transactions; and • Evaluating adequacy of the presentation and disclosures <p>Based on the above stated procedures, no significant exceptions were noted in revenue recognition including those relating to presentation and disclosures.</p>

Other Information

6. The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we will 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 in the 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.

Responsibilities of management and those charged with governance for the financial statements

7. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. 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 responsibilities for the audit of the financial statements

9. 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.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - a) 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.
 - b) Obtain an understanding of internal 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 responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - d) 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.

- e) 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.
- 11. 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.
- 12. 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.
- 13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

- 14. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 15. As required by Section 143 (3) of the Act, 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 Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on December 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
 - g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 31 (a) to the financial statements;
 - ii. The Company has long-term contracts as at December 31, 2020 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at December 31, 2020.



- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended December 31, 2020.
16. As stated in the Note 29 (d) to the Financial Statements, the excess remuneration amounting to Rs. 256.30 lakhs paid to the former Managing Director is subject to the approval of the shareholders by way of a special resolution in the ensuing Annual General Meeting. (Also refer Emphasis of Matter paragraph above).

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Amit Borkar

Partner

Membership Number: 109846

UDIN: 21109846AAAABF7248

Place: Pune

Date: February 10, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 15(f) of the Independent Auditors' Report of even date to the members of Foseco India Limited on the financial statements for the year ended December 31, 2020

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Foseco India Limited ("the Company") as of December 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. 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 (ICAI). 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 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.
5. 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 with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 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 with reference to financial statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at December 31, 2020, 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.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109486
UDIN: 21109846AAAABF7248

Place: Pune
Date: February 10, 2021

Annexure B to Independent Auditors' Report

Referred to in paragraph 14 of the Independent Auditors' Report of even date to the members of Foseco India Limited on the financial statements as of and for the year ended December 31, 2020

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of immovable properties, as disclosed in Note 3(a) – Property, plant and equipment to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities.

Further, for the month of March and April 2020, the Company has paid Goods and Service Tax and filed return in Form GSTR 3B and Form GSTR 1 after the due date but within the timelines allowed by Central Board of Indirect Taxes and Customs under the Notification No. 35/2020 - CT dated April 03, 2020 on fulfilment of conditions specified therein.

- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of sales tax and value added tax as at December 31, 2020 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Value Added Tax Act	Value Added Tax	6.34	2015-16	Joint Commissioner of Sales Tax
The Central Sales Tax Act	Sales Tax	3.28	2015-16	Joint Commissioner of Sales Tax

- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. Except for managerial remuneration amounting to Rs. 256.30 lakhs paid to the former managing director, the managerial remuneration paid by the Company is in accordance with the requisite approvals as mandated by the provisions of Section 197 read with Schedule V to the Act. The Company proposes to obtain approval of the shareholders by way of a special resolution in the ensuing Annual General Meeting in respect of the excess remuneration paid. (Also refer to paragraph 4 and 16 in the main audit report).
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Amit Borkar

Partner

Membership Number: 109846

UDIN: 21109846AAAABF7248

Place: Pune

Date: February 10, 2021



Foseco India Limited

(All amounts in INR lakhs, unless otherwise stated)

Statement of changes in equity for the year ended December 31, 2020

A) Equity Share Capital

Particulars	Notes	Amount
As at January 1, 2019		638.65
Change in equity share capital	12 (a)	-
As at December 31, 2019		638.65
Change in equity share capital	12 (a)	-
As at December 31, 2020		638.65

B) Other Equity

Particulars	Note	Reserves & Surplus				Total Amount
		Securities Premium	General Reserve	Retained Earnings	Share Based Payment Reserve	
As at January 1, 2019		1,912.60	3,672.77	9,386.78	-	14,972.15
Profit for the year		-	-	3,453.29	-	3,453.29
Other comprehensive income for the year, net of tax		-	-	(83.03)	-	(83.03)
Transactions with owners in their capacity as owners:						-
Dividends paid	12 (b)	-	-	(1,596.62)	-	(1,596.62)
Dividend distribution tax thereon	12 (b)	-	-	(328.23)	-	(328.23)
Recognition of Share based payment*		-	-	-	82.62	82.62
Employee share based payment - transfer to retained earnings		-	-	46.91	(46.91)	-
As at December 31, 2019		1,912.60	3,672.77	10,879.10	35.71	16,500.18

Foseco India Limited

(All amounts in INR lakhs, unless otherwise stated)

Statement of changes in equity for the year ended December 31, 2020

Other Equity (continued)

Particulars	Note	Reserves & Surplus				Total Amount
		Securities Premium	General Reserve	Retained Earnings	Share Based Payment Reserve	
As at January 1, 2020		1,912.60	3,672.77	10,879.10	35.71	16,500.18
Profit for the year		-	-	1,543.68	-	1,543.68
Other comprehensive income for the year, net of tax		-	-	(89.42)	-	(89.42)
Transactions with owners in their capacity as owners:						-
Dividends paid	12 (b)	-	-	(319.32)	-	(319.32)
Dividend distribution tax thereon	12 (b)	-	-	-	-	-
Recognition of Share based payment*		-	-	-	26.65	26.65
Paid during the year		-	-	-	(35.71)	(35.71)
As at December 31, 2020		1,912.60	3,672.77	12,014.04	26.65	17,626.06

* Includes employees share based payment expense for the year ended December 31, 2020 amounting to Rs. 26.25 lakhs
The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/ N500016

For and on behalf of the Board of Directors of Foseco India Limited

Corporate Identification No. (CIN) : L24294PN1958PLC011052

Amit Borkar
Partner
Membership No.: 109846

Ravi Kirpalani
Chairman
DIN : 02613688

Ajit Shah
Director
DIN : 02396765

Dr. Ujjal Bhattacharjee
Director
DIN 08083932

R Umesh **Mahendra Dutia**
Chief Financial Officer Controller of Accounts and Company Secretary

Place : Pune
Date :

Place : Sanaswadi, Pune
Date : 10th February, 2021



Foseco India Limited

(All amounts in INR lakhs, unless otherwise stated)

Statement of cash flows for the year ended December 31, 2020

Particulars	Year Ended December 31, 2020	Year Ended December 31, 2019
A) Cash flow from Operating activities		
Profit Before Tax	2,108.85	4,962.78
Adjustments for :		
Depreciation and Amortisation expense	591.06	419.70
Provision of Doubtful Debts	186.30	276.63
(Profit)/Loss on sale / disposal of property, plant and equipment	3.08	(8.92)
Finance Cost	0.07	0.13
Interest Income	(313.22)	(464.66)
Provision for doubtful debts written back	(88.53)	(201.77)
Unrealised exchange (gain) / loss (net)	0.99	(2.49)
Employee share based payment expense	26.65	35.71
Operating profit before working capital changes	2,515.25	5,017.11
Working Capital Adjustments for :		
(Increase) / Decrease in Trade Receivables	697.27	1,340.31
(Increase) / Decrease in Inventories	689.02	157.87
(Increase) / Decrease in Other financial assets	65.74	(44.42)
(Increase) / Decrease in Other assets	(255.49)	(3.85)
Increase / (Decrease) in Trade Payables	260.50	(111.61)
Increase / (Decrease) in Other financial liabilities	0.65	(433.99)
Increase / (Decrease) in Other liabilities	30.41	12.60
Increase / (Decrease) in Provisions	(69.52)	(124.56)
Cash generated from operations *	3,933.83	5,809.46
Income taxes paid (net of refunds)	(904.94)	(1,125.87)
Net cash generated from operating activities (a)	3,028.89	4,683.59
B) Cash flow from Investing activities		
Purchase of property, plant and equipment	(442.48)	(1,365.45)
Proceeds from disposal of property, plant and equipment	1.48	14.66
Deposits matured during the year (with maturity more than three months)	-	0.40
Interest earned	253.92	460.30
Net cash used in investing activities (b)	(187.08)	(890.09)

Foseco India Limited

(All amounts in INR lakhs, unless otherwise stated)

Statement of cash flows for the year ended December 31, 2020 (continued)

Particulars	Year Ended December 31, 2020	Year Ended December 31, 2019
C) Cash flow from Financing activities		
Interest Paid	(0.07)	(0.13)
Dividends Paid	(319.32)	(1,596.62)
Tax on dividends	-	(328.23)
Net cash used in financing activities (c)	(319.39)	(1,924.98)
Net increase in cash and cash equivalents - (a+b+c)	2,522.42	1,868.52
Cash and cash equivalents at the beginning of the year	11,107.60	9,239.08
Cash and cash equivalents at the end of the year	13,630.02	11,107.60

* Cash flow from operating activities includes Rs. 101.05 lakhs (December 31, 2019 Rs. 106.28 lakhs) being cash outflow towards Corporate Social Responsibility expense] [Refer note 25(b)]

PARTICULARS	Year Ended December 31, 2020	Year Ended December 31, 2019
Cash and Cash Equivalents comprise of :		
Cash on hand	1.01	1.30
Balances with banks		
- in current accounts	677.96	1,274.92
- in EEFC accounts	366.05	216.38
Deposit with maturity of less than three months	12,585.00	9,615.00
Total	13,630.02	11,107.60

Notes:

- The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind AS - 7 on Statement of Cash Flows.
- Figures in bracket represent outflow of cash and cash equivalents.

The accompanying notes are an integral part of these financial statements.
This is the Cash Flow Statement referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/ N500016

Amit Borkar
Partner
Membership No.: 109846

**For and on behalf of the Board of Directors of
Foseco India Limited**

Corporate Identification No. (CIN) : L24294PN1958PLC011052

Ravi Kirpalani
Chairman
DIN : 02613688

Ajit Shah
Director
DIN : 02396765

Dr. Ujjal Bhattacharjee
Director
DIN 08083932

R Umesh
Chief Financial Officer

Mahendra Dutia
Controller of Accounts and Company Secretary

Place : Pune
Date : February 10, 2021

Place : Sanaswadi, Pune
Date : 10th February, 2021



Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020

(All amounts in INR lakhs, unless otherwise stated)

Background: Foseco India Limited (“the Company”) is a public limited Company domiciled in India incorporated in March 1958. The Company is engaged in the manufacture of products used in the metallurgical industry. The products are in the nature of additives and consumables that improve the physical properties and performance of castings. The manufacturing activities are at Sanaswadi and Puducherry. The Company is listed on the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

Note - 1. Significant accounting policies:

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the periods presented in the financial statements, unless otherwise stated.

(a) Basis of accounting and preparation of financial statements

(i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities which are measured at fair value;
- Defined benefit plans — plan assets measured at fair value.
- Share based payment transactions.

(iii) Current/ Non-current classification

All assets and liabilities have been classified as current or non-current as per the Company’s operating cycle and other criteria set out in Schedule III (Division II) of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(b) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the Company’s Managing Director. Refer note 30 for segment information presented.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in Indian National Rupee (INR), which is the Company’s functional and presentation currency.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

(d) **Revenue recognition**

(i) Revenue from contracts with customers

Ind AS 115, Revenue from contracts with customers has been issued with effect from annual period beginning on or after April 1, 2018. The standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. A new five-step process must be applied before revenue can be recognized:

- Identify contracts with customers
- Identify the separate performance obligation
- Determine the transaction price of the contract
- Allocate the transaction price to each of the separate performance obligations, and
- Recognize the revenue as each performance obligation is satisfied.

Transition

Using the modified retrospective approach, there was no adjustments required to the retained earnings as at January 1, 2019 due to adoption of Ind AS 115. Adoption of the Ind AS 115 did not have any material impact on the recognition and measurement of revenue and related items in the financial statements of the Company.

Revenue recognition policy

Revenue is recognised at point in time when control of goods is transferred to the customer - based on delivery terms, payment terms, customer acceptance and other indicators of control as mentioned above; at an amount that reflects the consideration which the Company expects to be entitled in exchange for those goods and it is measured at fair value of the consideration received or receivable, after deduction of any discounts and taxes or duties collected on behalf of the government such as goods and services tax etc.



Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

The timing of when the Company transfers the goods may differ from the timing of the customer's payment.

The Company does not expect to have any contracts where the period between the transfer of the goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(ii) **Export Incentive**

Export incentive are recognised at their fair value where there is a reasonable assurance that the incentive will be received and the Company will comply with all attached conditions.

(e) **Government Grant**

Grants from the government are recognized at their fair value when there is a reasonable assurance that the grant will be received, and the Company will comply with all the attached conditions.

(f) **Income tax**

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

(g) Leases

Accounting policies till December 31, 2019:

As a lessee

Leases of property, plant and equipment, where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired under finance leases are recognized at the lower of the fair value of the leased assets at inception of the lease and the present value of minimum lease payments. Lease payments are bifurcated between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease, unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Accounting policies with effect from January 1, 2020:

Effective January 1, 2020, the Company has adopted Ind AS 116 - Leases, using the 'Modified Retrospective Approach' for transition from Ind AS 17 - Leases, with no impact to the retained earnings as at January 1, 2020. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of Ind AS 116 does not have a material impact on the results for the year ended December 31, 2020.

As a Lessee:

From January 1, 2020, leases are recognised as a Right of use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the principal (liability) and finance cost. The finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the fixed payments (including in-substance fixed payments), less any lease incentives receivable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right of use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Right of use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the Right of use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in the Statement of Profit and Loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets mainly comprise small items of office equipment.

Impairment of assets

Property, Plant and Equipment and Intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amounts exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(h) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

(i) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date, they are classified as current assets otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component or pricing adjustments embedded in the contract.

Loss allowance for expected life time credit loss is recognised on initial recognition of the trade receivables.

(j) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. Qualifying assets are assets that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

(k) Inventories

Inventories are stated at lower of costs and net realizable value. Cost of inventories comprises cost of purchase determined on weighted average basis. Cost of work-in-progress and finished goods comprises of direct materials, direct labour and all manufacturing overheads, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates

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Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

and discounts. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(I) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

I. Financial Assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortized cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Initial Recognition & Measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through Profit and Loss are expensed in the Statement of Profit and Loss.

(iii) Subsequent Measurement

After initial recognition, financial assets are measured at:

- fair value (either through Other Comprehensive Income or through Profit and Loss), or
- amortized cost

(iv) Debt instruments

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through Profit and Loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.



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Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

- **Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other income. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair Value through Profit and Loss (FVTPL):** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in Statement of Profit and Loss in the period in which it arises. Interest income from these financial assets is recognised in the Statement of profit and loss.

(v) Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI). There is no recycling of the amounts from OCI to Statement of Profit and Loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss. Dividends from such investments are recognized in profit or loss as other income when the company's right to receive payment is established.

(vi) Impairment of financial assets

The Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.
- Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

(vii) Derecognition of financial assets

A financial asset is derecognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows from the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

(viii) Income recognition

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

II. Financial Liabilities

(i) Initial recognition and measurement:

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue of the financial liability.

(ii) Subsequent measurement:

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

(iii) Derecognition

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

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Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

(m) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(n) Property, plant and equipment

Amounts for property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Depreciation is provided on a pro rata basis on the straight line method over the estimated useful lives of the assets which are in some cases lower than the useful life prescribed under Schedule II to the Companies Act, 2013 in order to reflect the actual usage of the assets. The useful lives are based on a technical evaluation. Following are the estimated useful life of various category of assets used:

Assets	Useful life followed by the Management (years)	Useful life prescribed in Schedule II (years)
Factory and Other Building	25	60
Plant & Machinery	3 to 10 years	15
Laboratory Equipment	6-7	10
Office Equipment	5	5
Furniture and Fixtures	10	10
Motor Vehicle	4	8

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An assets carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss within 'Other gain/(losses)(net)'.

(o) Intangible assets

Intangible assets are stated at acquisition cost net of tax/ duty credits availed, if any, and net of accumulated amortization. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognized

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Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

as income or expense in the profit or loss. Intangible assets are amortized on the straight line method as follows:

Asset	Useful life (Years)
Computer Software	2

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

(p) Capital work in progress

All expenditure incurred towards tangible assets are accumulated and shown as capital work in progress and not depreciated until such assets are ready and available for commercial use.

(q) Trade and other payables

These amounts represent amounts due to suppliers of goods purchased and services availed by the Company in the ordinary course of business, prior to the end of financial year which are unpaid. Trade and other payables are unsecured and are presented as current liabilities unless payment is not due within twelve months determined by the Company after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

(r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over the period of the borrowings using the effective interest method. Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired.

(s) Provisions and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources will be required to settle the obligations, and a reliable estimate of the amount of the obligation can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. Provisions are reviewed at each Balance Sheet date and adjusted to reflect current best estimates. Provisions are not recognized for future operating losses.

Contingent liabilities are disclosed by way of a note to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(t) Employee Benefits

(i) Short-term employee benefits

Liabilities for wages and salaries, accumulated leave and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the



Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) *Long-term employee benefits*

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are actuarially valued at the end of year measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss.

The classification of compensated absences into current and non-current as shown in financial statements is as per actuarial valuation report.

(iii) *Post-employment obligations*

The Company operates the following post-employment schemes:

- (a) Defined benefit plan - Gratuity
- (b) Defined contribution plans- superannuation fund and provision fund
- (a) **Defined benefit plan - Gratuity**

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

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Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

(b) Defined contribution Plans- Superannuation Fund and Provision Fund

The Company contributes on a defined contribution basis to Employees' Provident Fund / Pension Fund and Superannuation Fund. The contributions towards Provident Fund / Pension Fund is made to regulatory authorities and contribution towards Superannuation Fund is made to Life Insurance Corporation of India. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. The contributions are recognised as employee benefit expense when they are due.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the company before the normal retirement date, or when an employer accepts voluntary redundancy in exchange for these benefits. The company recognizes termination benefits in the Statement of Profit and Loss in the year as an expense as and when incurred.

(v) Bonus Plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(u) Share Based Payments

Certain employees of the Company receive remuneration for annual incentive in the form of equity instruments given by the Ultimate Holding Company (Vesuvius Plc.) for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The expense is recognized in the statement of profit and loss with a corresponding increase to the share based payment reserve, as a component of equity. The equity instruments vest on a straight line basis. The fair value determined at the grant date is expensed over the vesting period. The Company considers these share based payments as equity settled and the Company does not bear any risk arising from the movement in the share price. Vesuvius Plc. (ultimate holding company) recharges to the Company certain cost for the share based payments made/ to be made by them to the Company employees.

(v) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(w) Dividends

The Company recognises a liability to make distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Corporate laws in India, a distribution is authorised when it is approved by the shareholder.



Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

(x) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(y) Rounding of amounts:

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

Note - 2. Critical judgements and estimates

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving estimates or judgements are:

- i. Useful lives of property, plant and equipment and intangible assets (Refer note 1 (o) ,1 (p) and 3)
- ii. Impairment of Trade Receivables (Refer note 1(j), 1(m)(vi) and 8)
- iii. Defined benefit obligations (Refer note 1(u) and 14)
- iv. Recognition of deferred tax assets (Refer note 1(f) and 5(a))
- v. Current tax expense and income tax receivable (Refer note 1(f) and 5(b))

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 3 (a) Property, plant and equipment

Tangible assets	Gross Block				Depreciation				Net block
	Opening balance as at January 1, 2020	Additions	Deductions	Closing balance as at December 31, 2020	Opening balance as at January 1, 2020	Charge for the year	Deductions during the year	Closing balance as at December 31, 2020	Closing balance as at December 31, 2020
Freehold land	151.92	-	-	151.92	-	-	-	-	151.92
Leasehold land #	-	-	-	-	-	-	-	-	-
Factory buildings	710.41	24.72	-	735.13	113.88	41.80	-	155.68	579.45
Buildings others	281.40	-	-	281.40	58.61	19.60	-	78.21	203.19
Plant and machinery	3,229.00	206.94	90.29	3,345.65	870.85	500.06	85.76	1,285.15	2,060.50
Laboratory equipment	69.53	0.55	0.51	69.57	12.88	11.23	0.51	23.60	45.97
Office equipment	55.78	1.51	0.33	56.96	37.09	5.61	0.30	42.40	14.56
Furniture and fixtures	23.99	0.44	-	24.43	10.13	2.86	-	12.99	11.44
Motor vehicles	14.37	-	9.01	5.36	3.23	9.86	9.01	4.08	1.28
Total	4,536.40	234.16	100.14	4,670.42	1,106.67	591.02	95.58	1,602.11	3,068.31

There are no future minimum lease payments in respect of the leasehold land. Leasehold land of the Company is located at Puducherry having lease term of 99 years.

Notes: Leased assets

As at December 31, 2019, leasehold land included the following amounts where the Company was a lessee under finance lease:

Particulars	Closing balance as at December 31, 2020	Closing balance as at December 31, 2019
Leasehold land		
Cost	-	2.76
Accumulated depreciation	-	(0.12)
Net carrying amount	-	2.64

Pursuant to the adoption of Ind AS 116, leased assets are presented as a separate line item in the balance sheet as at December 31, 2020, see the Note 3(d).

Refer Note 3 (e) for details about the changes in accounting policy.

Note - 3 (b) Capital work in progress as at December 31, 2020

Capital work in progress (refer note 2 below)	490.72
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Notes:

- Refer to note 31 (c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- Capital work-in-progress comprises of mainly Plant and Machinery.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 3 (c) Intangible Assets as at December 31, 2020

Intangible Assets	Gross Block				Amortisation				Net Block
	Opening balance as at January 1, 2020	Additions	Deductions	Closing balance as at December 31, 2020	Opening balance as at January 1, 2020	Charge for the year	Deductions during the year	Closing balance as at December 31, 2020	Closing balance as at December 31, 2020
Computer Software	30.74	-	-	30.74	30.74	-	-	30.74	-
Total	30.74	-	-	30.74	30.74	-	-	30.74	-

Note - 3 (d) Right of use assets

(i) Amounts recognized in balance sheet:

The balance sheet shows the following amounts relating to leases:

Particulars	Closing balance as at December 31, 2020	As at January 1, 2020
Right of use assets		
Leasehold land*		
Gross block	2.76	2.76
Less: Accumulated depreciation	(0.16)	(0.12)
Total	2.60	2.64

* In the previous year, the Company only recognised lease asset in relation to leases that were classified as "finance leases" under Ind AS 17, Leases. The asset was presented in property, plant and equipment. For adjustments recognised on adoption of Ind AS 116 as at January 1, 2020, refer Note 3 (e). There were no addition to right of use assets during the current financial year.

(ii) Amounts recognized in the statement of Profit and Loss

The statement of profit and loss shows the following amounts relating to leases:

Particulars	Year Ended December 31, 2020	Year Ended December 31, 2019
Depreciation charge of right of use assets		
Leasehold land*	0.04	-

Total cash outflow for leases for year ended December 31, 2020 was NIL.

Note - 3 (e) New standards and amendments

Ind AS 116 - Leases

The Company has adopted Ind AS 116 'modified retrospective approach' from January 1, 2020, but has not restated comparatives for the year ended December 31, 2019 as permitted under specific transition provisions in the standard. The reclassification and adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet as at January 1, 2020. The new accounting policies are disclosed in Note 1(g) (In current year there were no pre existing operating leases as at January 1, 2020).

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 3 (a) Property, plant and equipment

Tangible assets	Gross Block				Depreciation				Net block
	Opening balance as at January 1, 2019	Additions	Deductions	Closing balance as at December 31, 2019	Opening balance as at January 1, 2019	Charge for the year	Deductions during the year	Closing balance as at December 31, 2019	Closing balance as at December 31, 2019
Freehold land	151.92	-	-	151.92	-	-	-	-	151.92
Leasehold land	2.76	-	-	2.76	0.08	0.04	-	0.12	2.64
Factory buildings	618.72	91.69	-	710.41	76.25	37.63	-	113.88	596.53
Buildings others	281.40	-	-	281.40	39.01	19.60	-	58.61	222.79
Plant and machinery	1,658.72	1,763.71	193.43	3,229.00	741.87	319.45	190.47	870.85	2,358.15
Laboratory equipment	76.32	11.55	18.34	69.53	18.99	12.23	18.34	12.88	56.65
Office equipment	35.55	20.82	0.59	55.78	25.78	11.90	0.59	37.09	18.69
Furniture and fixtures	27.76	-	3.77	23.99	11.10	2.80	3.77	10.13	13.86
Motor vehicles	70.91	-	56.54	14.37	40.94	16.05	53.76	3.23	11.14
Total	2,924.06	1,887.77	272.67	4,539.16	954.02	419.70	266.93	1,106.79	3,432.37

Note - 3 (b) Capital Work in Progress as at December 31, 2019

Capital work in progress (refer note 2 below)	161.83
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Notes:

- 1 Refer to note 31 (c) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- 2 Capital work-in-progress comprises of mainly Plant and Machinery.
- 3 Leasehold land of the Company is located at Puducherry having lease term of 99 years.

Note - 3 (c) Intangible Assets as at December 31, 2019

Intangible Assets	Gross Block				Amortisation				Net Block
	Opening balance as at January 1, 2019	Additions	Deductions	Closing balance as at December 31, 2019	Opening balance as at January 1, 2019	Charge for the year	Deductions during the year	Closing balance as at December 31, 2019	Closing balance as at December 31, 2019
Computer software	30.74	-	-	30.74	30.74	-	-	30.74	-
Total	30.74	-	-	30.74	30.74	-	-	30.74	-

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 4 Loans

Particulars	As at December 31, 2020	As at December 31, 2019
Non-current		
Unsecured, considered good		
Security deposits	61.11	61.11
Loans to employees	13.24	20.24
Total	74.35	81.35
Current		
Unsecured, considered good		
Loans to employees	13.32	15.52
Total	13.32	15.52
Breakup of security details		
Loans considered good - secured	-	-
Loans considered good - unsecured	87.67	96.87
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Total	87.67	96.87

Note - 5 (a) Deferred tax assets (net)

The balance of deferred tax comprises temporary differences attributable to:

	As at December 31, 2020	As at December 31, 2019
Deferred tax assets		
Property, plant and equipment and intangible assets	52.70	-
Provision for compensated absences	38.97	27.63
Provision for doubtful debts	100.75	86.95
Other timing differences	69.31	74.06
Total	261.73	188.64
Deferred tax liability		
Property, plant and equipment and intangible assets	-	3.04
	-	3.04
Total Deferred tax asset (net)	261.73	185.60

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Movement in deferred tax assets/liabilities

Particulars	As at January 1, 2019	(Charged)/ credited to profit/loss or OCI	As at December 31, 2019	(Charged)/ credited to profit/loss or OCI	As at December 31, 2020
Deferred Tax Assets					
Property, plant and equipment and intangible assets	39.24	(39.24)	-	52.70	52.70
Provision for gratuity	58.60	(58.60)	-	-	-
Provision for compensated absences	38.28	(10.65)	27.63	11.34	38.97
Provision for doubtful debts	152.34	(65.39)	86.95	13.80	100.75
Other timing differences	16.67	57.39	74.06	(4.75)	69.31
				-	
Deferred tax liability					
Property, plant and equipment and intangible assets	-	(3.04)	(3.04)	3.04	-
Total	305.13	(119.53)	185.60	76.13	261.73

Note - 5 (b) Income taxes

Income tax assets (net)

Particulars		As at December 31, 2020	As at December 31, 2019
Opening balance		230.91	467.07
Less : Current tax payable for the year		(611.23)	(1,362.03)
Less : Taxes paid		904.94	1,125.87
Closing balance	Total	524.62	230.91
Income tax assets			
Current		-	24.54
Non current		524.62	295.50
	Total	524.62	320.04
Income tax liabilities			
Current		-	89.13
Non current		-	-
	Total	-	89.13

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

The major components of income tax expense for the year ended;

Statement of profit and loss	Year ended December 31, 2020	Year ended December 31, 2019
Profit and loss section		
Current income tax charge		
Current income tax		
- Current tax on profit for the year	641.30	1,362.03
Total current tax expense	641.30	1,362.03
Deferred tax		
Decrease/(increase) in deferred tax assets	(76.13)	147.46
Total deferred tax expense/ (credit) to the Statement of profit or loss	(76.13)	147.46
Tax expense reported in the Statement of profit or loss	565.17	1,509.49

Other comprehensive income section (OCI)	Year ended December 31, 2020	Year ended December 31, 2019
Tax related to items recognised in OCI during the year	30.07	27.93
Tax expense in OCI	30.07	27.93

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for;

	Year ended December 31, 2020	Year ended December 31, 2019
Profit before tax	2,108.85	4,962.78
Tax at the statutory income tax rate of 25.17%	530.80	1,249.13
Reduction in statutory income tax rate - reversal of opening deferred tax assets	-	84.83
Impact of higher tax rate in the year ended December 31, 2019 (34.944%)	-	130.39
Tax effects of amounts which are not deductible / (taxable) in calculating taxable income	15.38	22.82
Others	18.99	22.32
At the effective tax rate	565.17	1,509.49
Tax expense reported in the Statement of profit or loss	565.17	1,509.49

Note:

The Company is in the process of updating its documentation in respect of international transactions with associated enterprises as required under section 92E of the Income Tax Act, 1961. The Company's management believes that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and the provision for tax made as at and for the year ended December 31, 2020 and December 31, 2019.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 6 Other non current assets Unsecured, considered good

	Year ended December 31, 2020	Year ended December 31, 2019
Capital advances	-	94.48
Total	-	94.48

Note - 7 Inventories (valued at lower of cost and Net realisable value)

	Year ended December 31, 2020	Year ended December 31, 2019
Raw materials		
- In hand	471.87	734.46
- In transit	281.88	178.49
Work-in-progress	78.30	99.81
Finished goods		
- In hand	410.86	904.34
- In transit	-	7.49
Stock-in-trade	8.02	15.36
Total	1,250.93	1,939.95

Amounts recognized in the statement of profit and loss

	Year ended December 31, 2020	Year ended December 31, 2019
Provision for excess and obsolete inventory that were recognized as an expense during the year and included in 'cost of materials consumed' in the Statement of profit and loss.	98.25	89.96

Note - 8 Trade receivables

	Year ended December 31, 2020	Year ended December 31, 2019
Trade receivable - others	6,773.39	7,468.01
Trade receivable from related parties (Refer note 29 (c))	117.43	162.09
Less : Loss allowance	(400.30)	(345.46)
Total	6,490.52	7,284.64
Breakup of security details		
Trade receivables considered good - unsecured	6,490.52	7,284.64
Trade receivables - doubtful	400.30	345.46
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Less: Loss allowance	(400.30)	(345.46)
Total	6,490.52	7,284.64

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 9 (a) Cash and cash equivalents

	Year ended December 31, 2020	Year ended December 31, 2019
Balances with banks		
In current accounts	677.96	1,274.92
In Exchange Earners Foreign Currency (EEFC) accounts	366.05	216.38
Cash on hand	1.01	1.30
Deposit with maturity of less than three months	12,585.00	9,615.00
Total	13,630.02	11,107.60

Note - 9 (b) Bank balances other than cash and cash equivalents

	Year ended December 31, 2020	Year ended December 31, 2019
In earmarked accounts		
Unclaimed dividend accounts	70.69	77.79
Total	70.69	77.79

Note - 10 Other financial assets

	Year ended December 31, 2020	Year ended December 31, 2019
Current		
Receivable from related parties (Refer note 29 (c))	6.48	51.56
Interest accrued on fixed deposits	59.30	4.36
Total	65.78	55.92

Note - 11 Other current assets

	Year ended December 31, 2020	Year ended December 31, 2019
Others		
Unsecured, considered good		
Advance for supply of goods and services	44.06	29.02
Prepayments	119.79	53.76
Export Incentive receivable	-	26.04
Other recoveries	200.46	-
Total	364.31	108.82

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 12 (a) Equity share capital

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
Authorised equity share capital:		
7,500,000 (Previous year 7,500,000) Equity shares of Rs. 10 each	750.00	750.00
Issued, subscribed and fully paid up :		
6,386,459 (Previous year 6,386,459) Equity shares of Rs. 10 each fully paid up	638.65	638.65

(i) Reconciliation of number of equity shares

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
Shares outstanding at the beginning and end of the year	6,386,459	6,386,459

(ii) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting, except in case of interim dividends. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Number of shares of the Company held by Holding Company/ Ultimate holding Company and/ or their subsidiaries/ associates

Particulars	As at December 31, 2020	As at December 31, 2019
Immediate holding company		
Foseco Overseas Limited, United Kingdom	3,704,219	3,704,219
Subsidiary of ultimate holding company		
Vesuvius Holdings Limited, United Kingdom	544,066	544,066
Parent of immediate holding company		
Foseco (UK) Limited, United Kingdom	540,560	540,560

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

(iv) Details of shareholders holding more than 5% of shares in the Company

Name of the shareholder	As at December 31, 2020		As at December 31, 2019	
	% holding	No. of shares	% holding	No. of shares
Foseco Overseas Limited, United Kingdom Immediate Holding Company	58.00%	3,704,219	58.00%	3,704,219
Vesuvius Holdings Limited, United Kingdom Subsidiary of Ultimate Holding Company	8.52%	544,066	8.52%	544,066
Foseco (UK) Limited, United Kingdom Parent of Immediate Holding Company	8.46%	540,560	8.46%	540,560
Karibu Limited, United Kingdom	11.48%	733,226	11.48%	733,226

- A) The Company has not issued any bonus shares in 5 years immediately preceding the year ended December 31, 2020.
- B) There were no shares bought back nor allotted either as fully paid-up bonus shares or under any contract during five years immediately preceding the year ended December 31, 2020.

Note - 12 (b) Other equity

	As at December 31, 2020	As at December 31, 2019
Reserves and surplus		
Securities premium account (Refer note i below)	1,912.60	1,912.60
General reserve (Refer note ii below)	3,672.77	3,672.77
Retained earnings (Refer note iii below)	12,014.04	10,879.10
Share based payment reserve (Refer note 28)	26.65	35.71
Total	17,626.06	16,500.18

(i) Securities premium account

Securities premium account is used to record the premium on issue of shares. The reserve is to be utilised in accordance with the provisions of the Companies Act, 2013.

(ii) General reserve

General reserve represents amounts transferred from retained earnings in earlier years as per the requirements of the erstwhile Companies Act 1956.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

(iii) Retained earnings

	As at December 31, 2020	As at December 31, 2019
Retained earnings		
Opening balance	10,879.10	9,386.78
Add : Profit for the year	1,543.68	3,453.29
Profit available for appropriation	12,422.78	12,840.07
Less appropriations:		
Interim dividend - 1st for Year 2020 (Previous year 1st & 2nd for Year 2019)	319.32	957.97
Tax on interim dividend - Nil # (Previous year 1st & 2nd for Year 2019)	-	196.96
Final dividend - (Previous year 2018)	-	638.65
Tax on final dividend - (Previous year 2018)	-	131.27
	319.32	1,924.85
Items of other comprehensive income recognised directly in retained earnings		
Re-measurement gain/(loss) of defined employee benefit plan (net of tax)	(89.42)	(83.03)
Employee share based payment	-	46.91
Closing balance	12,014.04	10,879.10

In accordance with the recent amendments in sections 10(34) and 115-O of the Income-tax Act, 1961, Dividend Distribution Tax (DDT) would not be payable by companies in respect of dividends declared, distributed or paid after March 31, 2020 and Tax deducted at Source (TDS) under section 194 is applicable with effect from April 1, 2020.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 13 Other financial liabilities

Non-Current	As at December 31, 2020	As at December 31, 2019
Accrued employee benefit obligations	7.41	12.21
Deposit for leasehold land (Refer note below)	16.75	16.75
Total	24.16	28.96

Note:

This amount has been received with respect to the agreement for leasehold land at Chinchwad.

Current	As at December 31, 2020	As at December 31, 2019
Payable to Non-executive Directors	21.70	20.09
Unclaimed dividends (Refer note below)	70.69	77.79
Accrued employee benefit obligations	201.72	225.31
Deposits from customers	12.25	14.25
Payable to related parties (Refer note 29 (c))	410.47	373.94
Payable towards Capital Expenditure	26.08	-
Total	742.91	711.38

Note:

There is no amount due and outstanding as on December 31, 2020 to be credited to Investor Education and Protection Fund u/s 125 of the Companies Act, 2013.

Note - 14 Provisions

Non-Current	As at December 31, 2020	As at December 31, 2019
Provision for compensated absences (Refer note 27)	33.86	51.84
Total	33.86	51.84

Current	As at December 31, 2020	As at December 31, 2019
Provision for compensated absences (Refer note 27)	122.62	57.94
Provision for gratuity (Refer note 27)	157.17	153.90
Total	279.79	211.84

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 15 Trade Payables

	As at December 31, 2020	As at December 31, 2019
Total outstanding dues of micro enterprises and small enterprises	0.07	1.08
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- acceptances	1,030.13	922.12
- payables to others	5,375.52	5,231.11
- payables to related parties (Refer note 29 (c))	276.00	264.99
Total	6,681.72	6,419.30

Details of dues to micro, small and medium enterprises as defined under the MSMED Act, 2006

The Company has certain dues payable to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The information as required to be disclosed under MSMED Act has been determined to the extent such parties have been identified on the basis of information available with the Company.

Sr. No.	Dues payable to micro and small enterprises as at	December 31, 2020	December 31, 2019
a)	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.07	1.08
b)	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end.	-	-
c)	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
d)	Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	0.14
e)	Interest paid, under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
f)	Interest due and payable towards suppliers registered under MSMED Act, for payment already made	-	-
g)	Interest accrued and remaining unpaid at the end of each accounting year	-	-
h)	Further interest remaining due and payable for earlier years	-	-

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 16 Other current liabilities

	As at December 31, 2020	As at December 31, 2019
- Statutory dues payable	280.75	214.63
Total	280.75	214.63

Note - 17 Revenue from operations

	Year ended December 31, 2020	Year ended December 31, 2019
Revenue from contracts with customers		
- Sale of Products (manufactured and traded goods)	24,969.39	32,138.50
- Sale of services	4.12	5.69
Other operating revenue		
- Sale of scrap	16.79	18.73
- Sale of deteriorated raw material and packing material	68.83	21.22
- Export Incentive	55.91	68.25
Total	25,115.04	32,252.39

Note - 17 (a) Revenue from contracts with customers disaggregated on the basis of geographical regions

	Year ended December 31, 2020	Year ended December 31, 2019
Domestic	22,948.25	29,688.12
Export	2,025.26	2,456.07
Total	24,973.51	32,144.19

Note - 17 (b) Reconciliation of revenue with contract price

	Year ended December 31, 2020	Year ended December 31, 2019
Revenue as per Statement of Profit & Loss	24,973.51	32,144.19
Add: Incentive/rebates/discounts etc.	-	-
Contract price	24,973.51	32,144.19

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 18 Other income

	Year ended December 31, 2020	Year ended December 31, 2019
Interest income		
- on bank deposits	313.22	389.12
- from income tax authorities	-	75.54
Provisions for doubtful debts written back	88.53	201.77
Profit on disposal of property, plant and equipment	-	8.92
Management and service fees received from related parties	162.15	12.00
Other miscellaneous income	57.02	93.91
Total	620.92	781.26

Note - 19 Cost of materials consumed

	Year ended December 31, 2020	Year ended December 31, 2019
Raw materials consumed		
Opening stock	912.95	1,560.22
Add: Purchases (net)	12,870.19	17,328.66
	13,783.14	18,888.88
Less : Closing stock	753.75	912.95
Total	13,029.39	17,975.93

Note - 20 Purchase of stock-in-trade

	Year ended December 31, 2020	Year ended December 31, 2019
Purchases of stock in trade	555.35	523.36
Total	555.35	523.36

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 21 Changes in inventories of finished foods, work-in- progress and stock-in-trade

	Year ended December 31, 2020	Year ended December 31, 2019
Opening inventory		
- Finished goods	911.83	448.48
- Work in progress	99.81	80.80
- Stock in trade	15.36	8.32
	1,027.00	537.60
Less: closing inventory		
- Finished goods	410.86	911.83
- Work in progress	78.30	99.81
- Stock - in - trade	8.02	15.36
	497.18	1,027.00
Total	529.82	(489.40)

Note - 22 Employee benefits expense

	Year ended December 31, 2020	Year ended December 31, 2019
Salaries, wages and bonus	2,923.68	2,736.01
Employee share based payments expense (Refer note 28)	26.65	35.71
Contributions to provident and other funds (Refer note 27)	289.65	332.56
Gratuity (Refer note 27)	76.07	80.99
Workmen and staff welfare expenses	202.63	228.17
Total	3,518.68	3,413.44

Note - 23 Finance costs

	Year ended December 31, 2020	Year ended December 31, 2019
Other borrowing costs	0.07	0.13
Total	0.07	0.13

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 24 Depreciation and amortisation expense

	Year ended December 31, 2020	Year ended December 31, 2019
Depreciation on property, plant and equipment	591.02	419.70
Amortisation of intangible assets	-	-
Depreciation of right of use asset	0.04	-
Total	591.06	419.70

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 25 Other expenses

	Year ended December 31, 2020	Year ended December 31, 2019
Consumption of stores and spares	41.10	28.36
Power and fuel	561.90	631.61
Repairs and maintenance		
- Buildings	50.50	182.98
- Machinery	447.06	458.09
Processing charges	151.62	227.49
Freight and forwarding charges	675.88	838.49
Rent	19.45	27.81
Rates and taxes	62.38	49.23
Insurance	95.33	75.38
Travelling and conveyance	216.79	456.91
Legal and professional charges	385.91	463.35
Directors' Sitting fees	24.90	21.80
Payment to auditors (refer note 25 (a) below)	57.04	53.92
Foreign exchange fluctuation loss (net)	30.69	82.32
Loss on sale of property, plant and equipment	3.08	-
Provision for Doubtful debts	186.30	276.63
Bad debts written off	42.93	165.36
Less: Withdrawn from provision	(42.93)	(165.36)
	-	-
Software maintenance charges	25.33	21.83
Royalty	1,085.27	1,374.18
Consultancy service fees	884.93	496.24
Commission to Non Whole Time Directors	21.70	20.09
Expenditure towards Corporate social responsibility expenses (refer note 25 (b) below)	101.05	106.28
Advertising	26.45	77.58
Telephone charges	14.83	20.20
Bank charges	16.83	20.98
Safety & security expenses	153.76	118.66
Printing and stationery	17.16	29.16
Miscellaneous expenses	45.50	68.14
Total	5,402.74	6,227.71

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 25 (a) Payment to auditors

	December 31, 2020	December 31, 2019
As auditor		
Statutory audit fees	32.49	27.99
Tax audit fees	7.00	7.00
Fees for limited reviews	10.50	10.50
In other capacity		
Other audit services	7.00	7.00
Reimbursement of expenses	0.05	1.43
Total	57.04	53.92

Note - 25 (b) Corporate social responsibility activities

	December 31, 2020	December 31, 2019
Gross amount required to be spent by the Company during the year	100.22	102.69

	December 31, 2020	December 31, 2019
Amount spent during the year		
a COVID-19 - rehabilitation and other projects	31.78	-
b Construction / acquisition of an asset	16.37	39.49
c On purposes other than (a and b) above	52.90	66.79
Total	101.05	106.28

Note - 26 Earnings per share (EPS)

	December 31, 2020	December 31, 2019
Net profit attributable to the Equity shareholders of the Company	1,543.68	3,453.29
Weighted average number of Equity shares	6,386,459	6,386,459
Face value of Equity share (in INR)	10.00	10.00
Basic and Diluted earnings per Equity share (in INR)	24.17	54.07

Note: the Company does not have outstanding diluted potential Equity shares. Consequently, the basic and diluted earnings per share of the Company remain the same.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 27 Provision for Compensated Absences and Gratuity

a Long term employee benefit obligations

Compensated absences

The Compensated absences covers the liability for privilege leave. The classification of compensated absences into current and non-current is based on the report of independent actuary prepared for the year ended December 31, 2020.

b Post employment obligations

(i) Defined Contribution Plan

The Company also has certain defined contribution plans. Contributions are made to provident fund for employees at the rate of 12% and towards superannuation fund at the rate of 15% of basic salary as per regulations. The contributions are made to registered provident fund administered by the central government, superannuation trust administered through Life Insurance Corporation of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Company has recognised the following amounts which are defined contribution plans in the Statement of Profit and Loss.

Particulars	Year ended December 31, 2020	Year ended December 31, 2019
Provident Fund	159.05	155.56
Superannuation Scheme	130.59	177.00
Total	289.64	332.56

(ii) Gratuity

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity Scheme) covering certain categories of employees. The Gratuity Scheme provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company. The Company provides the gratuity benefit through annual contributions to the fund managed by the Life Insurance Corporation of India (LIC), under this plan the settlement obligation remains with the Company. The Company does fully fund the liability based on estimations of expected gratuity valuation provided by the Actuary.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

- I The amounts recognised in balance sheet and movements in the net benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Opening Balance as at January 1, 2019	1,047.29	(879.58)	167.71
Current service cost	77.83	-	77.83
Interest expense/(income)	71.86	(68.70)	3.16
Total amount recognised in statement of profit or loss	149.69	(68.70)	80.99
Return on plan assets	-	18.89	18.89
(Gain)/loss from experience changes	(38.26)	-	(38.26)
(Gain)/loss from change in demographic assumptions	(3.50)	-	(3.50)
(Gain)/loss from change in financial assumptions	133.83	-	133.83
Total amount recognised in Other Comprehensive Income	92.07	18.89	110.96
Employer contributions	-	(205.76)	(205.76)
Benefits paid	(277.66)	277.66	-
Closing Balance as at December 31, 2019	1,011.39	(857.49)	153.90
Recognised as under:			
Non Current Provision (Refer note 14)			-
Current Provision (Refer note 14)			153.90

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Opening Balance as at January 1, 2020	1,011.39	(857.49)	153.90
Current service cost	74.94	-	74.94
Interest expense/(income)	60.45	(59.32)	1.13
Total amount recognised in statement of profit or loss	135.39	(59.32)	76.07
Return on plan assets	-	(23.53)	(23.53)
(Gain)/loss from experience changes	64.59	-	64.59
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	78.43	-	78.43
Total amount recognised in Other Comprehensive Income	143.02	(23.53)	119.49
Employer contributions	-	(192.29)	(192.29)
Benefits paid	(265.64)	265.64	-
Closing Balance as at December 31, 2020	1,024.16	(866.99)	157.17
Recognised as under:			
Non Current Provision (Refer note 14)			-
Current Provision (Refer note 14)			157.17

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

II The net liability disclosed above relates to funded plans are as follows :

Particulars	December 31, 2020	December 31, 2019
Present value of funded obligation	1,024.16	1,011.39
Fair value of plan assets	(866.99)	(857.49)
Deficit	157.17	153.90

III Significant estimates

The significant actuarial assumptions were as follows :

Particulars	December 31, 2020	December 31, 2019
Discount rate	6.00%	6.88%
Salary growth rate	8.00%	7.50%
Attrition rate	10.0%	10.00%

IV Sensitivity of actuarial assumptions

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	December 31, 2020	December 31, 2019
Discount rate		
1 % increase	(61.48)	(53.78)
1 % decrease	69.42	59.94
Salary growth rate		
1 % increase	61.32	53.21
1 % decrease	(55.60)	(48.73)
Attrition rate		
1 % increase	(9.81)	(4.09)
1 % decrease	10.82	4.48

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Projected benefits payable from the fund in future years from the date of reporting:

	December 31, 2020	December 31, 2019
Less than a year	173.56	119.32
Between 1 to 2 years	145.31	140.39
Between 2 to 5 years	344.62	326.73
Over 5 years	292.95	251.83
Total	956.44	838.27

The weighted duration of the defined benefit obligation is 7 years

V The major categories of plan assets are as follows:

Particulars	December 31, 2020	December 31, 2019
Funds managed by insurer	100%	100%

VI Risk Exposure

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields. If plan assets underperform this yield, this will create a deficit. All plan assets are maintained in a trust fund managed by a public sector insurer i.e., LIC of India. LIC has a sovereign guarantee and has been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence, 100% liquidity is ensured. Also, interest rate and inflation risk are taken care of.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in yield in the value of the plans' bond holdings.

Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in higher present value of liabilities. Further, unexpected salary increases provided at the discretion of the management may lead to uncertainties in estimating this increasing risk.

Asset-Liability mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements as it has adopted asset-liability management approach.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

(iii) Compensated absences

The leave obligations cover the Company's liability for earned leave which are as follows

	December 31, 2020	December 31, 2019
Current leave obligations expected to be settled within the next 12 months	122.62	57.94

Note - 28 Share Based Payments – Medium Term Plan

(a) Employee option plan

Vesuvius Plc. (Ultimate Holding Company) may grant restricted stock awards to certain employees of the Company under its stock incentive plan

Restricted Stock Units-Restricted stock unit (RSU) awards entitle the holder to receive equity instruments of the Ultimate Holding Company which is equal to the annual incentive plan (AIP) amount which the employee is entitled to receive. RSUs become fully vested over a vesting period of two years from the date of grant. Options are granted under the plan for no consideration, does not carry dividend and voting rights till the RSUs become fully vested.

Set out below is a summary of options granted under the plan:

31 December 2020

Particulars	Average exercise price per share option (GBP)	Number of options
Opening balance		8,457
Granted during the year *	NA	5,094
Vested and issued during the year	-	-
Forfeited during the year	-	(12,478)
Expired during the year	-	-
Closing balance		1,073
Vested and exercisable		-

31 December 2019

Particulars	Average exercise price per share option (GBP)	Number of options
Opening balance	-	-
Granted during the year *	NA	8,457
Vested and issued during the year	-	-
Forfeited during the year	-	-
Expired during the year	-	-
Closing balance		8,457
Vested and exercisable		-

* These RSU's are issued in lieu of incentive payable to the Senior Management Employees against which they are not required to make any payment.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry date	Exercise price (GBP)	Share options 31 December 2020
11 December, 2020	NA	NA	1,073
Total			1,073
Weighted average remaining contractual life of options outstanding at end of the period			NA

Grant Date	Expiry date	Exercise price (GBP)	Share options 31 December 2019
14 March 2019	NA	NA	8,457
Total			8,457
Weighted average remaining contractual life of options outstanding at end of the period			NA

Fair value of options granted:

The fair value at grant date of options granted during the year ended 31 December 2020 was GBP 5.31 per RSU (31 December 2019 was GBP 5.02 per RSU). The equivalent fair value in INR for the year ended 31 December 2020 was INR 526.82 per RSU (31 December 2019 was INR 466.08 per RSU). The fair value at grant date is determined using the average middle market price of an ordinary share of GBP 10p in the capital of Vesuvius Plc for the 5 trading days immediately prior to the date of grant.

(b) Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Particulars	31 December 2020	31 December 2019
Employee share based payment expense	26.65	35.71
Total employee share-based payment expense	26.65	35.71

Note - 29 Related party transactions

(a) Name of the related parties and nature of relationship

l) Name of Related Party Where Control Exists :

- | | | |
|---|---|---------------------------------------|
| 1 | Vesuvius Plc., United Kingdom | - Ultimate Holding Company |
| 2 | Foseco (U.K.) Limited., United Kingdom | - Parent of Immediate Holding Company |
| 3 | Foseco Overseas Limited, United Kingdom | - Immediate Holding Company |



Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

II) Names of Related Parties with whom transactions were carried out for the Financial year ended December 31, 2020

i. Fellow Subsidiaries:

- 1 Foseco (Thailand) Limited
- 2 Foseco Industrial e-Commercial Ltda., Brazil
- 3 Foseco International Limited, United Kingdom
- 4 Foseco Japan Limited
- 5 Foseco Korea Limited
- 6 Foseco Nederland BV.
- 7 PT Foseco Indonesia
- 8 PT Foseco Trading Indonesia
- 9 Foseco Golden Gate Co. Limited, Taiwan
- 10 Vesuvius Australia Pty Limited
- 11 Vesuvius Emirates (FZE), Dubai
- 12 Vesuvius Foundry Technologies (Jiangsu) Company Limited, China
- 13 Vesuvius GmbH, Germany
- 14 Vesuvius Group SA, Belgium
- 15 Vesuvius Inc., USA
- 16 Vesuvius UK Limited, United Kingdom
- 17 Vesuvius Holdings Limited, United Kingdom
- 18 Vesuvius Malaysia Sdn. Bhd.
- 19 Vesuvius Management Services Limited, United Kingdom
- 20 Vesuvius Vietnam Company Limited
- 21 Vesuvius India Limited
- 22 Vesuvius Mexico S.a. De C.v.
- 23 Vesuvius Istanbul Refrakter San.ve Tic.a.s.
- 24 Vesuvius Scandinavia AB, Sweden
- 25 Vesuvius Ras Al Khaimah FZ-LLC, United Arab Emirates

ii. Key Management Personnel (KMP) as per Indian Accounting Standard (Ind AS) 24, Related Party Disclosures

	Name	Designation	Remarks
1	Mr. Ravi Kirpalani	Director and Chairperson	
2	Mr. Ajit Shah	Director	
3	Mr. Guy Young	Director	
4	Ms. Anita Belani	Director	
5	Ms. Karena Cancilleri	Director	
6	Mr. Sanjay Mathur	Managing Director*	Upto 31st December, 2020

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

7	Mr. Ujjal Bhattacharjee	Director	with effect from 1st January, 2021
8	Mr. R Umesh	Chief Financial Officer*	
9	Mr. Mahendra Kumar Dutia	Controller of Accounts and Company Secretary*	

*(As per section 2 (51) of Companies Act, 2013)

iv. Post employment benefit plan of Foseco India Limited

1	Foseco India Limited Employees Gratuity Fund (Refer note 27 for contribution made)
2	Foseco India Limited Superannuation Scheme administered through Life Insurance Corporation of India (Refer note 27 for contribution made)

(b) Transactions with related parties during the year ended;

Sr.	Name of the Party and nature of transaction	31-December -2020	31-December -2019
i)	Immediate Holding Company		
1	Foseco Overseas Limited, United Kingdom		
	Dividends	185.21	926.05
ii)	Parent of Immediate Holding Company		
1	Foseco (U.K.) Limited, United Kingdom		
	Dividends	27.03	135.14
iii)	Subsidiary of Ultimate Parent Company		
1	Vesuvius Holdings Limited, United Kingdom		
	Dividends	27.20	136.02
	Reimbursement of Services Received	127.23	29.89
iv)	Fellow Subsidiaries of the Holding Company		
1	Foseco International Limited, United Kingdom		
	Royalty	1,085.27	1,374.18
	Reimbursement of Services Rendered	10.41	158.10
	Reimbursement of Services Received	-	4.35
2	Foseco (Thailand) Limited		
	Export of Finished Goods	130.71	152.61
	Import of Raw Materials	-	2.57
3	Foseco Korea Limited		
	Export of Finished Goods	96.34	71.35
	Import of Raw Materials	-	1.42
	Reimbursement of Services Received	-	2.38

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Sr.	Name of the Party and nature of transaction	31-December -2020	31-December -2019
4	Foseco Industrial e-Commercial Ltda., Brazil Export of Finished Goods	7.25	1.17
5	Foseco Japan Limited Export of Finished Goods	5.06	-
	Import of Raw Materials	248.42	304.62
	Reimbursement of Services Received	-	2.07
6	Foseco Nederland BV. Import of Raw Materials	4.70	6.38
	Export of Finished Goods	0.58	-
7	PT Foseco Indonesia Reimbursement of Services Rendered	-	1.37
8	PT Foseco Trading Indonesia Export of Finished Goods	135.20	260.84
9	Foseco Golden Gate Co. Limited, Taiwan Export of Finished Goods	0.48	-
10	Vesuvius UK Limited, United Kingdom Export of Finished Goods	-	8.22
	Import of Raw Materials	158.09	325.49
11	Vesuvius Inc., USA Import of Raw Materials	118.48	84.05
	Reimbursement of Services Received	-	1.21
	Export of Finished Goods	-	0.18
12	Vesuvius GmbH, Germany Import of Raw Materials	179.64	1,098.41
	Reimbursement of Services Received	1.59	0.53
	Export of Finished Goods	-	1.10
13	Vesuvius Malaysia Sdn. Bhd. Export of Finished Goods	152.18	131.39
	Reimbursement of Services Rendered	-	2.58
	Import of Raw Materials	-	4.35

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Sr.	Name of the Party and nature of transaction	31-December -2020	31-December -2019
14	Vesuvius Group SA, Belgium		
	Consultancy Service Fees	-	386.31
	Reimbursement of Services Received	-	12.70
	Reimbursement of Services Rendered	10.91	69.26
15	Vesuvius Emirates (FZE), Dubai		
	Export of Finished Goods	777.30	1,098.52
16	Vesuvius Istanbul Refrakter San.ve Tic.a.s., Turkey		
	Export of Finished Goods	2.98	-
17	Vesuvius Foundry Technologies (Jiangsu) Company Limited, China		
	Export of Finished Goods	471.29	549.38
18	Vesuvius Australia Pty Limited		
	Reimbursement of Services Received	2.58	1.65
19	Vesuvius Mexico S.a. De C.v.		
	Export of Finished Goods	29.33	-
	Import of Raw Materials	14.52	-
20	Vesuvius Scandinavia AB, Sweden		
	Import of Raw Materials	-	1.55
21	Vesuvius Ras Al Khaimah FZ-LLC, United Arab Emirates		
	Import of Raw Materials	-	2.38
22	Vesuvius Vietnam Company Limited		
	Export of Finished Goods	16.73	7.37
23	Vesuvius Management Services Limited, United Kingdom		
	Reimbursement of Services Rendered	208.23	33.99
	Reimbursement of Services Received	21.74	-
	Consultancy Service Fees	884.93	109.93
24	Vesuvius India Limited		
	Sale of Finished Goods	107.24	70.47
	Reimbursement of Services Rendered	12.00	24.22

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Sr.	Name of the Party and nature of transaction	31-December -2020	31-December -2019
iv)	Key Management Personnel Compensation		
	Remuneration paid including perquisites ((refer note 29 (d))	633.06	453.51
	Short term and Post employment benefits	3.30	70.81
	Directors sitting fees	21.70	21.80
	Commission paid	24.90	20.09

Summary of Related Party Transactions other than remuneration to KMP for financial year ended December 31, 2020

Sr. No.	Nature of transaction	Immediate Holding Company	Subsidiaries of Ultimate Parent Company	Fellow Subsidiaries	Total
1	Import of Raw Materials	-	-	723.85	723.85
2	Export of Finished Goods	-	-	1,825.43	1,825.43
3	Sale of Finished Goods	-	-	107.24	107.24
4	Reimbursement of Services Rendered	-	-	241.55	241.55
5	Reimbursement of Services Received	-	127.23	25.91	153.14
6	Dividends*	185.21	54.23	-	239.44
7	Royalty	-	-	1,085.27	1,085.27
8	Consultancy Service Fees	-	-	884.93	884.93
	Total	185.21	181.46	4,894.18	5,260.85

* The above figure represents interim dividend paid during the year.

Summary of Related Party Transactions other than remuneration to KMP for financial year ended December 31, 2019

Sr. No.	Nature of transaction	Immediate Holding Company	Subsidiaries of Ultimate Parent Company	Fellow Subsidiaries	Total
1	Import of Raw Materials	-	-	1,831.22	1,831.22
2	Export of Finished Goods	-	-	2,282.13	2,282.13
3	Sale of Finished Goods	-	-	70.47	70.47
4	Reimbursement of Services Rendered	-	-	289.52	289.52
5	Reimbursement of Services Received	-	29.89	24.89	54.78
6	Dividends*	926.05	271.16	-	1,197.21
7	Royalty	-	-	1,374.18	1,374.18
8	Consultancy Service Fees	-	-	496.24	496.24
	Total	926.05	301.05	6,368.65	7,595.75

* The above figure represents interim dividends paid during the year and final dividend for the previous year ended December 31, 2018

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

(c) Outstanding balances from sale/ rendering of services and purchase of goods / receipt of services

	Name of the Company	31-December -2020	31-December -2019
(i)	Trade Receivables		
1	Vesuvius India Limited	11.37	-
2	Vesuvius Emirates (FZE), Dubai	-	41.21
3	PT Foseco Trading Indonesia	37.05	24.17
4	Foseco Korea Limited	-	5.07
5	Vesuvius Foundry Technologies (Jiangsu) Company Ltd., China	69.01	75.25
6	Vesuvius UK Limited	-	9.22
7	Vesuvius Malaysia Sdn Bhd	-	7.17
	Total (a)	117.43	162.09
(ii)	Other receivables		
1	Foseco International Limited, United Kingdom	-	10.46
2	Vesuvius Group SA, Belgium	6.48	-
3	Vesuvius Management Services Limited, United Kingdom	-	41.10
	Total (b)	6.48	51.56
	Grand Total (a+b)	123.91	213.65

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

	Name of the Company	31-December -2020	31-December -2019
(i)	Trade Payables		
1	Foseco Japan Limited	129.67	29.80
2	Foseco Nederland BV.	3.63	-
3	Vesuvius GmbH, Germany	42.71	171.56
4	Vesuvius UK Limited, United Kingdom	9.90	12.01
5	Vesuvius Inc., USA	51.46	37.59
6	Vesuvius India Limited	-	14.03
7	Foseco (Thailand) Limited	0.39	-
8	Vesuvius Mexico S.a. De C.v.	14.52	-
9	Foseco Industrial e-Commercial Ltda., Brazil	4.63	-
10	Vesuvius India Limited	19.09	-
	Total (a)	276.00	264.99
(ii)	Other Payables		
1	Foseco International Limited, United Kingdom	321.49	263.74
2	Vesuvius Group SA, Belgium	-	109.93
3	Vesuvius Holdings Limited, United Kingdom	88.98	-
4	Vesuvius GmbH, Germany	-	0.27
	Total (b)	410.47	373.94
	Grand Total (a+b)	686.47	638.93

- (d) The managerial remuneration paid to the former Managing Director of the Company during the year ended December 31, 2020, amounted to Rs. 508.66 lakhs including retirement benefits of Rs 234.59 lakhs, which exceeds the prescribed limit under Section 197 read with Schedule V to the Companies Act, 2013 by Rs. 256.30 lakhs, in view of "inadequacy of profit" computed under Section 198 of the Act. As per the provisions of the Companies Act, 2013 the excess remuneration paid is be subject to the approval of the shareholders by way of a special resolution at the ensuing Annual General Meeting, which is being sought.

Note - 30 Segment Reporting

(a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Managing Director has been identified as the Chief operating decision maker (CODM).

The Company operates in only one business segment i.e. manufacturing of metallurgical products and services. This is the principal activity for the Company. The segment revenue is measured in the same way in Statement of Profit and Loss.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

(b) Information about revenue from operations and geographical distribution of revenue

The Company is domiciled in India, however also sells its products outside India. The amount of its revenue from external customers broken down by the location of the customers is shown in table below :

	Revenue from external customers	
	For the year ended December 31, 2020	For the year ended December 31, 2019
India	22,948.25	29,688.12
Outside India	2,025.26	2,456.07
	24,973.51	32,144.19

The Company does not have any customer contributing to 10% or more to the total revenue.

(b) Non-current assets

All the non-current assets are located within India.

Note - 31 Contingencies and Commitments

a) Contingent Liabilities

Legal Matters Under Dispute

	As at December 31, 2020	As at December 31, 2019
i. Income Tax Demands in respect of which the Company is in Appeal	-	140.95
ii. Values Added Tax Demands in respect of which the Company is in Appeal	6.34	-
iii. Central Sales Tax - Demands in respect of which the Company is in Appeal	3.28	-
Total	9.62	140.95

i) Legal matters under dispute

The Company is contesting the demands and the management believes that its position is likely to be upheld in the appellate process. It is not practicable to estimate the timing of cash outflows, if any in respect of legal matters, pending resolution of the proceedings with the appellate authorities.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

b) Bank Guarantees

	As at December 31, 2020	As at December 31, 2019
Counter Guarantees given to Banks in respect of Guarantee given by them towards third parties for supply of goods, clearance of goods from customs etc.	33.08	33.08

c) Capital Commitments

	As at December 31, 2020	As at December 31, 2019
Estimated Amount of Contracts remaining to be executed on Capital account and not provided for (net of advance payments)	32.04	54.48

Note - 32 Fair Value Measurements

Financial instruments measured at amortised cost by category

	Year Ended December 31, 2020	Year Ended December 31, 2019
Financial assets		
Trade receivables	6,490.52	7,284.64
Receivable from related parties	6.48	51.56
Loans to employees	26.56	35.76
Security deposits	61.11	61.11
Cash and cash equivalents	13,630.02	11,107.60
Bank balances other than cash and cash equivalents	70.69	77.79
Interest accrued on fixed deposits	59.30	4.36
Total financial assets	20,344.68	18,622.82
Financial liabilities		
Trade payables	6,681.72	6,419.30
Deposits from customers	12.25	14.25
Unclaimed dividend	70.69	77.79
Accrued employee benefit obligations	209.13	237.52
Deposit for leasehold land	16.75	16.75
Payable towards Capital Expenditures	26.08	-
Payable to related parties	410.47	373.94
Dues to non-executive directors	21.70	20.09
Total financial liabilities	7,448.79	7,159.64

The Company has not disclosed the fair values for above financial instruments because their carrying amounts are a reasonable approximation of fair values mainly because of their short-term nature.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Fair value hierarchy

This section explains the judgements & estimates made in determining the fair value of the financial instruments. The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

- (a) Only derivative contracts are measured at fair value. These derivative contracts are categorised as Level 2 financial instruments.
- (b) Assets and liabilities which are measured at amortised cost for which fair values are disclosed.

For all financial instruments referred above that have been measured at amortised cost, their carrying values are reasonable approximations of their fair values. These are classified as level 3 financial instruments. There were no transfers between Level 1, Level 2 and Level 3 during the year.

The categories used are as follows :

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 : The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. Considering that all significant inputs required to fair value such instruments are observable, these are included in level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Note - 33 Financial Risk Management

1 Financial risk management

The Company's activities exposes it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(A) Credit risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and deposits with banks and other financial instruments. For banks and other financial institutions, only high rated banks/ financial institutions are accepted. The balances with banks, loans given to employees, security deposits are subject to low credit risk and the risk of default is negligible or nil. Hence, no provision has been created for expected credit loss for credit risk arising from these financial assets. The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, for e.g., external



Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

credit rating (to the extent available), actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to borrower's ability to meet its obligations.

I Trade receivables

Credit risk arises from the possibility that customer will not be able to settle their obligations as and when agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts, ageing of accounts receivable and forward looking information. Individual credit limits are set accordingly.

The Company uses the Expected Credit Loss (ECL) model to assess the impairment gain or loss. As per ECL simplified approach, the Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account a continuing credit evaluation of Company's customers' financial condition; aging of trade accounts receivable; the value and adequacy of collateral received from the customers in certain circumstances (if any); the Company's historical loss experience; and adjustment based on forward looking information. The Company defines default as an event when there is no reasonable expectation of recovery.

Movement of provision for doubtful debts:

Particular	Amount
Loss Allowance as on December 31, 2019	345.46
Additions during the year	186.30
Written back during the year	(88.53)
Utilisation during the year (bad debts)	(42.93)
Loss Allowance as on December 31, 2020	400.30

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. To assure the solvency and financial flexibility, the Company retains a liquidity reserve through cash and cash equivalents and lines of credit.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

(i) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity group based on their contractual maturities for :

31-December-2020	< 1 year	> 1 year
Trade payables	6,681.72	-
Accrued employee benefit obligations	201.72	7.41
Contingent consideration	-	16.75
Dues to Non-executive Directors	21.70	-
Unclaimed dividend	70.69	-
Payable towards Capital Expenditures	26.08	-
Payable to related parties	410.47	-
Deposits from customers	12.25	-
Total	7,424.63	24.16

31-December-2019	< 1 year	> 1 year
Trade payables	6,419.30	-
Accrued employee benefit obligations	225.31	12.21
Deposit for leasehold land	-	16.75
Dues to Non-executive Directors	20.09	-
Unclaimed dividend	77.79	-
Payable to related parties	373.94	-
Deposits from customers	14.25	-
Total	7,130.68	28.96

(C) Market risk

Market risk comprises of foreign currency risk and interest rate risk.

I) Foreign currency risk

The company is engaged in international trade and thereby exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR, AUD, GBP and JPY. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency other than company's functional currency (INR). The Company's exposure to foreign currency arises from short term receivables and payables where fluctuations in the foreign exchange rates are generally not significant and consequently limiting the company's exposure.

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

i) Foreign currency risk exposure

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR lakhs, are as follows :

	December 31, 2020				December 31, 2019			
	USD	EUR	GBP	JPY	USD	EUR	GBP	JPY
Financial assets								
Trade receivables	106.06	-	-	-	152.87	-	9.22	-
Other receivables	-	6.48	-	-	-	41.10	10.46	-
Bank balances in EEFC Accounts	366.04	0.01	-	-	210.66	5.72	-	-
Exposure to foreign currency risk (assets) (A)	472.10	6.49	-	-	363.53	46.82	19.68	-
Financial liabilities								
Trade payables	321.11	144.64	6.40	129.67	355.80	185.22	12.01	29.80
Other payables	-	-	88.98	-	-	110.20	-	-
Exposure to foreign currency risk (liabilities) (B)	321.11	144.64	95.38	129.67	355.80	295.42	12.01	29.80
Net foreign currency exposure (A) - (B)	150.99	(138.15)	(95.38)	(129.67)	7.73	(248.60)	7.67	(29.80)

Currently the Company does not hedge the foreign currency risk exposure.

ii) Sensitivity

The sensitivity of profit and loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments:

	Impact on profit before tax	
	December 31, 2020	December 31, 2019
USD sensitivity		
INR/USD - Increase by 5% (31 December 2019-5%)	7.55	0.37
INR/USD - Decrease by 5% (31 December 2019-5%)	(7.55)	(0.37)
EUR sensitivity		
INR/EUR - Increase by 5% (31 December 2019-5%)	(6.93)	(12.40)
INR/EUR - Decrease by 5% (31 December 2019-5%)	6.93	12.40
GBP sensitivity		
INR/GBP - Increase by 5% (31 December 2019-5%)	(4.77)	0.38
INR/GBP - Decrease by 5% (31 December 2019-5%)	4.77	(0.38)
JPY sensitivity		
INR/JPY - Increase by 5% (31 December 2019-5%)	(6.48)	(1.66)
INR/JPY - Decrease by 5% (31 December 2019-5%)	6.48	1.66

Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

II) Interest rate risk

The Company's main interest rate risk arises from deposits placed over a period of time on frequent basis thereby exposing the company to interest rate risk. The Company's policy is to have fixed interest rate at the time of deal execution.

Note - 34 Capital Management

a) Risk management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholders value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December, 2020 and 31 December, 2019

b) Dividends

	December 31, 2020	December 31, 2019
(i) Equity shares		
Final dividend for the year ended 31 December 2019 : Rs. Nil (31 December 2018 : Rs. 10) per fully paid share	-	638.65
Dividend Distribution tax on final dividend	-	131.27
Interim dividend for the financial year ended 31 December, 2020 Rs. 5 (31 December, 2019 : Rs. 15) per fully paid share	319.32	957.97
Dividend Distribution tax on interim dividend 31 December 2019	-	196.96
(ii) Dividends not recognised at the end of the reporting period		
The directors have recommended the payment of a final dividend of Rs. 10 per fully paid equity share. This proposed dividend is subject to the approval of the shareholders in the ensuing annual general meeting.	638.65	-



Foseco India Limited

Notes to the financial statements for the year ended December 31, 2020 (continued)

(All amounts in INR lakhs, unless otherwise stated)

Note - 35 Research and Development

Revenue expenditure incurred on in-house Research and Development activities Rs. 94.02 Lakhs (December 31, 2019: Rs. 86.73 Lakhs).

Capital expenditure in relation to acquisition of property plant and equipment incurred on in-house research and development activities is Rs. 0.55 Lakhs (December 31, 2019: Rs. 11.56 Lakhs)

Note - 36

The Company has considered the possible effects that may result from the COVID-19 pandemic in the preparation of the annual financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, Management has taken into account internal and external sources of information including economic forecasts and related information and expects that the carrying amounts of these assets are fair and reasonable. The impact of the pandemic might be different from that estimated as on the date of approval of these financial statements.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/ N500016

Amit Borkar

Partner

Membership No.: 109846

For and on behalf of the Board of Directors of

Foseco India Limited

Corporate Identification No. (CIN) : L24294PN1958PLC011052

Ravi Kirpalani

Chairman

DIN : 02613688

Ajit Shah

Director

DIN : 02396765

Dr. Ujjal Bhattacharjee

Director

DIN 08083932

R Umesh

Chief Financial Officer

Mahendra Dutia

Controller of Accounts and
Company Secretary

Place : Pune

Date : February 10, 2021

Date : 10th February, 2021 Place : Sanaswadi, Pune

Financial Highlights



Year	2016	2017	2018	2019	2020
Operating Results					
Total Revenue from Operations	38,051.84	37,868.79	36,215.58	32,252.39	25,115.04
Operating Expenses	32,372.85	32,482.36	30,733.55	26,869.78	22,415.06
EBITDA	5,678.99	5,386.43	5,482.03	5,382.61	2,699.98
Finance Cost	41.52	35.26	20.87	0.13	0.07
Depreciation	505.20	534.13	453.90	419.70	591.06
Profit before Taxation and Extraordinary Item	5,132.27	4,778.04	5,007.26	4,962.78	2,108.85
Tax Expense	1,824.10	1,646.13	1,803.61	1,509.49	565.17
Profit after Taxation	3,308.17	3,131.91	3,203.65	3,453.29	1,543.68
Sources and Application of Funds					
Share Capital	638.65	638.65	638.65	638.65	638.65
Reserves	11,794.13	13,926.78	14,972.15	16,500.18	17,626.06
Shareholders Funds	12,432.78	14,565.43	15,610.80	17,138.83	18,264.71
Loan Funds / Non Current Liabilities	152.21	127.73	233.97	80.80	58.02
Current Liabilities	5,710.90	7,401.26	8,001.08	7,646.28	7,985.17
Total Sources	18,295.89	22,094.42	23,845.85	24,865.91	26,307.90
Net Fixed Assets	2,593.94	2,392.75	2,565.99	3,594.20	3,561.63
Deferred Tax Assets (Net)	180.79	223.27	305.13	185.60	261.73
Long Term Loans and Advances	750.61	388.31	715.14	471.33	598.97
Net Current Assets	14,770.55	19,090.09	20,259.59	20,614.78	21,885.57
Total Application	18,295.89	22,094.42	23,845.85	24,865.91	26,307.90
Debt Equity Ratio	0.01	0.01	0.01	0.00	0.00
Earning per Share (Rs.)	51.80	49.04	50.16	54.07	24.17
Dividend per Share (Rs.)	23.00	23.00	25.00	15.00	15.00
Net Worth of Company	8,907.44	11,561.10	12,024.54	12,887.70	13,842.38



FOSECO

FOSECO INDIA LIMITED

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