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Dear Shareholders

Leaving behind the strains of the unprecedented economic slowdown seen from late 2008, your Company is now poised for growth and improved prospects which is evident from the cash surplus generated during the year, re-commencement of the Kolkata plant expansion to double capacity and the successful bold entries into new arenas of business.

India is set to emerge as the second largest producer and consumer of steel in the next 10 years. Refractory, being an essential and critical requirement in the steel industry, will see increased demand. Your Company has positioned itself to meet these demands with the consistent and focused

technical contributions from the Vesuvius Group.

I thank you for your continued support to your Company.

With my best wishes to all of you.

Dr. S. K. Gupta

## Message from President & CEO, Vesuvius Group



2009 will remain attached to the worst crisis suffered by the world economy from memory. More than others the steel industry was deeply affected in most regions with dramatic volume and price reductions.

Within this period the Indian economy demonstrated a remarkable resistance and, after some months of stagnation, managed to maintain overall a good growth rate.

For Vesuvius India it was a challenging year where the relative weakness of the Steel Flow Control activity had to be supported by new developments in the Linings activity. New successes were registered in market segments that were not developed previously, allowing the Company to extend its

potential for growth in the future. These new developments were made possible with the help of the Vesuvius Group experience, technology and references, which were remarkably adapted to the Indian projects by the Vesuvius India management.

In the coming years the Linings market may offer a significant growth potential as it leverages our strong existing footprint in the steel industry to address a very large market segment with proven leading edge technologies. Such successes in a period of economic weakness confirm the quality of the Vesuvius India assets and people.

Vesuvius Group will continue to invest in the development of the Company as demonstrated by the support given to the extension of the Kolkata plant to double its capacity for VISO products. The project decided last year will be completed in 2010.

I am confident that Vesuvius India has favorable perspectives for the coming years.

With my best wishes to all of you.

François Wanecq



Sitting from left :

Shekhar Datta, Dr. Saibal Kanti Gupta, Chairman, François Clement Wanecq

Standing from left :

Yves M.C.M.G. Nokerman, Sudipto Sarkar, Biswadip Gupta, Dr. Claude Dumazeau,  
Tanmay Kumar Ganguly, Managing Director

Dr. Saibal Kanti Gupta  
*Chairman*

Tanmay Kumar Ganguly  
*Managing Director*

Shekhar Datta

Dr. Claude Dumazeau

Biswadip Gupta

Yves M.C.M.G. Nokerman

Sudipto Sarkar

François Clement Wanecq

## BOARD COMMITTEES

### Audit Committee

Dr. Saibal Kanti Gupta  
*Chairman*

Shekhar Datta

Biswadip Gupta

Yves M.C.M.G. Nokerman

Sudipto Sarkar

### Share Transfer & Investor Grievance Committee

Dr. Saibal Kanti Gupta

Shekhar Datta

Tanmay Kumar Ganguly

Biswadip Gupta

Sudipto Sarkar

## COMPANY SECRETARY

Taposh Roy

Email : Taposh.Roy@vesuvius.com

## EXECUTIVE COUNCIL (as on 23.02.2010)

Tanmay Kumar Ganguly  
*Managing Director*

Tarun Kanti Basu  
*Chief Executive - Marketing & Business Development*

Sudarshan Das  
*Chief Executive - Sales*

Sanjoy Dutta  
*Chief Financial Officer*

Subrata Roy  
*Chief Executive - Operations*

## AUDITORS

Messrs BSR & Associates  
Chartered Accountants  
Infinity Benchmark, Plot No. G-1, 10th floor  
Block - EP & GP, Sector - V  
Salt Lake City, Kolkata 700 091

## BANKERS

Axis Bank Limited  
Hongkong Bank  
State Bank of India  
United Bank of India

## REGISTRARS & SHARE TRANSFER AGENTS

CB Management Services (P) Ltd  
P-22 Bondel Road, Kolkata 700 019  
Tel : (033) 4011 6700/ 6711/ 6718/ 6723  
Fax : (033) 2287 0263  
Email : rta@cbmsl.com  
Website : www.cbmsl.com

## REGISTERED OFFICE

P-104 Taratolla Road  
Kolkata 700 088  
Tel : (033) 30410600; 2401 2842/ 3898/ 0215  
Fax : (033) 2401 3976/ 1235  
Email : vesuviusindia@vesuvius.com

### Kolkata Factory :

P-104 Taratolla Road, Kolkata 700 088  
Tel : (033) 30410600; 2401 2842/ 3898/ 0215  
Fax : (033) 2401 1235  
Email : Saibal.Bandyopadhyay@vesuvius.com

### Visakhapatnam Factories :

- (a) Existing factory :  
Plot No. 13, 14 & 15, Block "E"  
IDA Autonagar, Visakhapatnam 530 012
- (b) New factory :  
Survey No. 90 & 98, Part, Block G,  
Industrial Park, Fakirtakya Village  
Autonagar, Visakhapatnam 530 046  
Tel : (0891) 2749120; 2755419; 2755408  
Fax : (0891) 2587511  
Email : Tumma.Antony@vesuvius.com

### Mehsana Factory :

212/B, G.I.D.C. Estate  
Mehsana 384 002, Gujarat  
Tel : (02762) 252948/ 949  
Fax : (02762) 252909  
Email : Chakrapani.Devburman@vesuvius.com



Notice is hereby given that the nineteenth Annual General Meeting of the Members of Vesuvius India Limited will be held at G D Birla Sabhaghar, 29, Ashutosh Chowdhury Avenue, Kolkata 700019 on Tuesday, April 27, 2010 at 10.30 a.m. to transact the following business:

1. To receive and adopt the Audited Accounts for the year ended on December 31, 2009, and the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Dr S K Gupta, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr Yves M.C.M.G. Nokerman, who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint Auditors of the Company and to fix their remuneration and, in this connection to pass, with or without modification, the following resolution which will be passed as an Ordinary Resolution:

**"RESOLVED** that, pursuant to Section 224 of the Companies Act, 1956, Messrs BSR & Associates, Chartered Accountants, be and are hereby appointed Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting at a remuneration and on terms plus out-of-pocket expenses as may be determined by the Board of Directors of the Company."

**Registered Office :**

P-104 Taratolla Road  
Kolkata 700 088

February 23, 2010

By Order of the Board of Directors  
**Vesuvius India Ltd.**

Taposh Roy  
Company Secretary

**Notes :**

1. **PROXY** : A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of self and such proxies need not be a member of the Company. Proxies, in order to be effective, must be received by the Company at the Registered Office not later than 48 hours before the Meeting.
2. **BOOK CLOSURE** : The Register of Members of the Company will remain closed from **April 20, 2010 to April 27, 2010**, both days inclusive.
3. **DIVIDEND** : The dividend to be declared at this meeting, will, subject to the provisions of Section 206A of the Companies Act, 1956, be deposited with the Bank within May 3, 2010 and dividend warrants will be despatched on or after May 7, 2010 to those members whose names appear on the Register of Members on April 27, 2010 or to their mandatees. In respect of shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as per details furnished by the National Securities Depositories Ltd. and Central Depository Services (India) Ltd., for this purpose. Payment of dividend will be rounded off pursuant to the provisions of Section 288B of the Income Tax Act, 1961 and Rule 23 of the Companies (Central Government's) General Rules & Forms, 1956. Dividend Tax will be paid by the Company pursuant to section 115O of the Income Tax Act, 1961.
4. **UNCLAIMED DIVIDEND** : Notices pursuant to Rule 4A of the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 have been sent to all members concerned on January 29, 2010.
5. **TRANSFER TO IEPF** : Dividend for the year ended December 31, 2002 which was declared at the Annual General Meeting held on April 3, 2003 and remaining unclaimed will be transferred to the Investor Education and Protection Fund of the Central Government in May 2010 pursuant to the provisions of section 205A of the Companies Act, 1956. Thereafter no claim shall lie on these dividend from the members. Members are requested to lodge their claims with the Registrars & Share Transfer Agents immediately. Reminder letters have been sent to the shareholders concerned on February 12, 2010.



6. **ISIN No.** : The shares of the Company are tradable compulsorily in electronic form. **The ISIN number allotted is INE386A01015.** In view of the numerous advantages offered by the depository system, Members are requested to avail of the facility of dematerialization of the Company's shares.
7. **REGISTRARS** : Members are requested to contact **M/s C B Management Services (P) Ltd, Registrars and Share Transfer Agents of the Company at P-22, Bondel Road, Kolkata 700 019 (Phone No. 033-40116700; Email : rta@cbmsl.com)** for recording any change of address, bank mandate, ECS or nominations and for redressal of complaints or contact the Company Secretary at the Registered Office or by email at Taposh.Roy@vesuvius.com.
8. **REAPPOINTMENT OF DIRECTORS** : Pursuant to Clause 49 of the Listing Agreements with the stock exchanges, it is informed that Dr S K Gupta and Mr Yves M.C.M.G. Nokerman retire by rotation in accordance with the Articles of Association of the Company at the forthcoming Annual General Meeting, and being eligible, have offered themselves for re-appointment. The particulars of the Directors are given below :

**Item No. 3** : Dr S K Gupta, Chairman of the Company, is a metallurgical engineer with Ph.D. and D.Sc. in ferrous process metallurgy and has about 50 years experience. He has been Professor of IIT Bombay, Founder Director of SAIL's R&D Centre, Chief Executive of MECON and SAIL's Rourkela Steel Plant and the Executive Vice Chairman of Jindal Vijayanagar Steel Ltd (now known as JSW Steel Ltd). He is presently Chairman of Bhuwalka Steel Industries Ltd and BMM Ispat Ltd and a Director of JSW Steel Ltd, Jindal Saw Ltd, Jindal South West Holdings Limited, IVRCL Infrastructures & Projects Ltd, Sobha Developers Ltd. and Surana Industries Ltd. For his outstanding contributions to metallurgical enterprises in general and steel fraternity in particular, Government of India has conferred upon him the title "National Metallurgist". He is a Director of the Company since October 1999. Dr Gupta is well conversant with the iron and steel industry. He does not hold any shares in the Company. Dr Gupta is also the Chairman of the Audit Committee and member of the Share Transfer and Investor Grievance Committee.

**Item No. 4** : Mr Yves M.C.M.G. Nokerman is the Vice President Finance & IT i.e Chief Financial Officer (CFO) of Vesuvius Group and is based in Brussels, Belgium. He joined the Board of Directors on July 29, 2008 in the casual vacancy caused by the resignation of Dr Luigi Gramizzi. He is a Director on 32 companies abroad belonging to the Group. He is well conversant with the refractory industry having over 25 years of experience. He does not hold any shares in the Company. Mr Nokerman is a member of the Audit Committee.

**Members are requested to bring their copies of the Annual Report and Admission Slip to the Meeting.**



### Vesuvius Group

This year also witnessed constant involvement of the Group in their Indian operations. Vesuvius Group personnel visited India during the year for interactions on matters associated with technology transfer, expansion plans, trouble shooting for technical issues, HS&E initiatives, manufacturing excellence, shotcrete gunning, financial audit and general business review. Mr Francois Wanecq, President & CEO of the Vesuvius Group attended the Annual General Meeting of the Company and held business discussions.

### Business activities

Vesuvius secured major orders for various new expansion projects at SAIL, JSW Steel, Rashtriya Ispat Nigam and ESSAR. Three new casters at customer sites were also commissioned with Vesuvius tundish refractories. We also received a turnkey order from Essar Steel for refractory lining in their new 6 MT palletising plant in Orissa.

Our customer's thin slab caster created a record of 21 hour casting time using our third generation Sub-entry Nozzles.

The Company has retained its leadership in Blast Furnace Casthouse repairs and received two significant orders from L&T. Tap hole clay business has picked up and also received a maiden export order. Successful forays have been made in the

cement industry and the Company's presence in the DRI segment has been renewed.

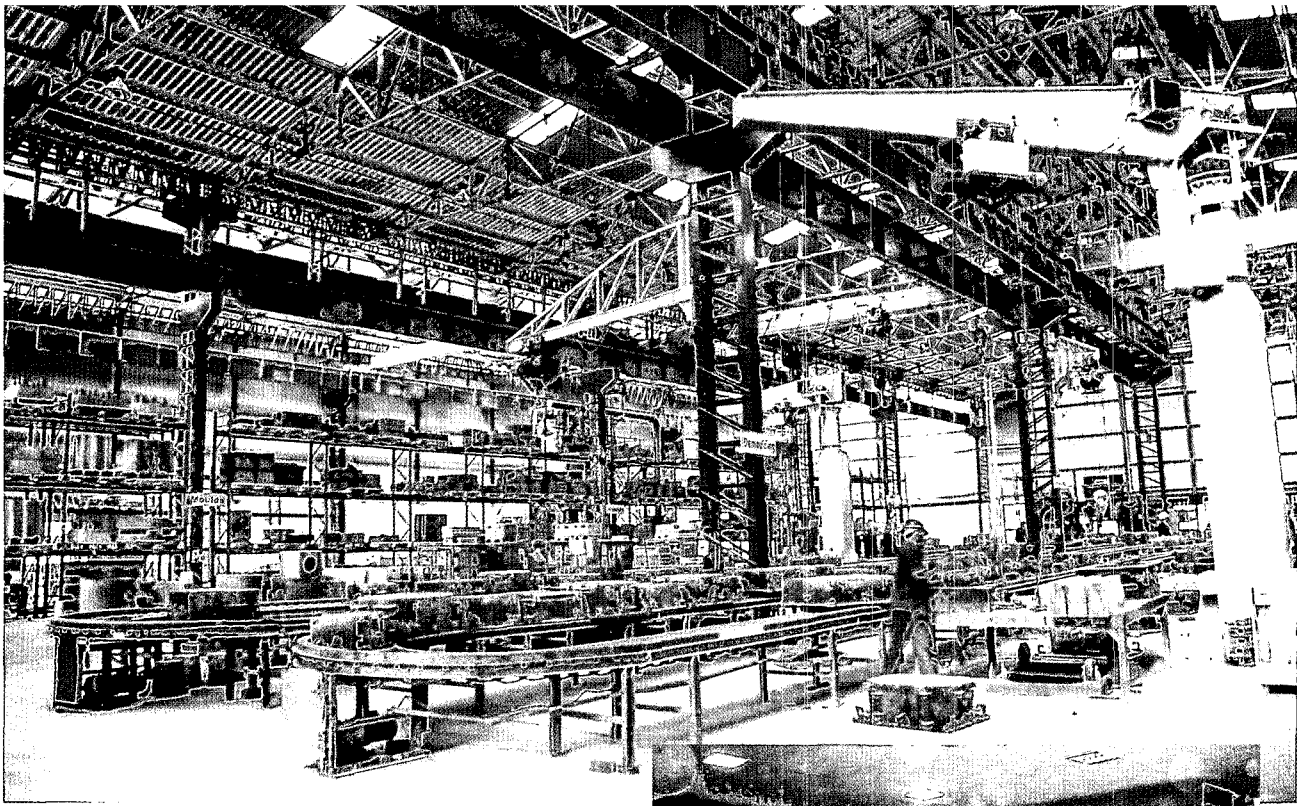
### Customer awareness

This year saw a renewal of relationships with customers through several customer awareness programs. The highlight was the seminar on "Efficient Iron Making & Support Initiatives" conducted at Visakhapatnam which attracted over 100 participants from the iron making fraternity who were enlightened by the discourses from eminent speakers from Essar Steel, JSPL, JSW Steel, Siemens VAI of UK, Tata Steel and Vesuvius Group. This seminar made customers, OEMs and engineering consultants aware of relevant best practices worldwide.

*Customer Meet at Visakhapatnam*



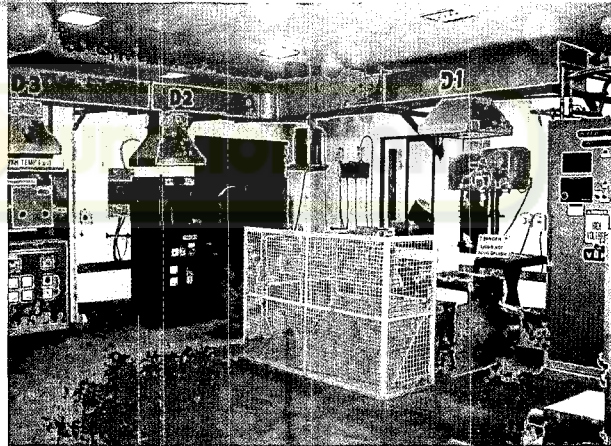




▲ New plant at Visakhapatnam

After being the pioneers of the remote gunning method of blast furnace repairs in India, customers were made aware of the advantages of Surgun repair technology. Surgun has now been established as a successful repair technique in steel and non-steel applications. Customers appreciated our efforts on a maiden Surgun repair of a CFBC boiler with repeat orders.

Latest technology and equipments e.g. semi-terrace sub-entry nozzle and calibrated tube stoppers have been introduced on trial basis to some customers to make them aware of the process for casting specialty steel grades. Conversion into new generation slide gate systems at major customers and successful trials at some of the Public Sector units have also been undertaken.



▲ Centre of Excellence

The "Centre of Excellence" at Visakhapatnam has been created to drive technological breakthroughs that can provide cutting edge solutions for our customer's emerging needs. A large number of new products and formulations were developed here or transferred from the development laboratories of our Group in the USA / UK. A few significant examples are Surgun technology for a wide area of linings repair, products for aluminum ladles and bath transfer ladles used in the Aluminium Industry and also developing tundish spray materials based on alternate magnesite. Apart from product development, the Centre is also working on replacement of imported raw materials with local raw materials.



### De-listing from Calcutta Stock Exchange

Shareholders have been requesting for some time to de-list the shares of the Company from the Calcutta Stock Exchange as there were no trading on that exchange for the past few years. The shares of the Company have been de-listed from the Calcutta Stock Exchange but listing on the other two stock exchanges viz. Bombay Stock Exchange and National Stock Exchange will continue.

### Dividend

The Board of Directors have recommended dividend of Rs. 3.75/- per share of face value Rs 10 i.e. 37.50% increased from Rs 2/- per share i.e. 20% paid in the previous year. The Board of Directors have recorded their sincere thanks to the Shareholders and other stakeholders for their continuous support to the Company.



▲ Shareholders at Annual General Meeting

### The Calcutta Stock Exchange Ltd.

7, Lyons Range, Kolkata - 700 001  
Phone : 2210 4470 - 77, 2230 6977 / 6928 / 7209, Fax : 2210 2223, 2210 4500, 2210 2210  
Website : www.cse-india.com, E-mail : cseadmin@cse-india.com

Ref.No. CSE/LDY 580/2009

Dated: 7<sup>th</sup> December, 2009

The Company Secretary,  
Vesuvius India Ltd.,  
P-104, Taratola Road,  
Kolkata-700 088

Dear Sir,

**Sub: Voluntary delisting of 2,02,96,080 equity share of your company under SEBI (Delisting of Securities) Guidelines-2003.**

We write to inform you that the voluntary delisting of the listed securities of your company under SEBI (Delisting of securities) Guidelines-2003 has now been granted by the Committee of the Exchange held on 14/11/2009. Hence, your company is now being delisted from the official list of the Exchange.

However, considering the interest of the general investor the said equity shares of your company will, henceforth be traded under the 'permitted Category' on the Exchange.

Thanking you,

For The Calcutta Stock Exchange Ltd.

*(Signature)*  
(SHAMIK DASGUPTA)  
General Manager

Delisting/kms

### Kolkata Plant expansion

The expansion of the Kolkata plant to double its capacity has re-commenced during the year following an upturn in the Indian steel industry's fortunes and the Group's refractory requirements. Commercial production post this expansion is expected to commence in early 2011. All safety procedures and processes would be in place and no hazardous chemicals will be in use post expansion.



◀ Kolkata plant expansion in progress