



## Committed to Safety

*The cover page of this annual report has been dedicated to emphasise our focus and commitment towards Safety.*

*Health, Safety and Environment has been our priority through the years and we have now brought even sharper focus in our responsibility to all our stakeholders and society at large. Our newly drafted HSE Policy launched in 2008 is a reflection of our commitment.*

### Health & Safety Policy

#### Health & Safety Policy

We will operate all work and business activities in a manner which ensures the health and safety of employees, contractors, visitors, customers and any other persons affected by these activities.

We will comply with the legal health and safety obligations.

We will be pro-active in preventing injuries and ill-health, and continuously improve our H&S systems and performance.

#### Organization and Responsibilities

We regard health and safety matters as a mainstream management responsibility. Executives and line managers are directly responsible for health and safety matters in operations under their control. Management is accountable for H&S performance against objectives.

All employees have a responsibility to take care of themselves and others whilst at work. We expect everyone to participate positively in the task of preserving workplace health and safety.

#### Our Beliefs

- Good Health and Safety is Good Business.
- Safety is everybody's responsibility.
- Working safely is a condition of employment.
- All work-related injuries and work-related ill-health are preventable.

#### Our Aims

- No Accidents
- **No Repeat Injuries**
- No Harm to People

#### Our Commitments

- Every business facility will follow the agreed H&S plans.
- Risk assessments will be undertaken to identify hazards, prioritize any deficiencies and correct them in an appropriate way.
- We will abide with simple and non negotiable standards.
- We will provide Training for all employees to ensure that they understand their responsibilities and are able to act accordingly.
- Every business facility will have an appointed H&S Manager or Coordinator

This policy has been approved by the Vesuvius Executive Committee and will be displayed and implemented at all facilities.

Francois Wanecq, CEO

10 October 2008



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## Message from Chairman



Dear Shareholders

By focusing attention on new business arenas for monolithics and benefiting from the improvement in steel production, your Company has surpassed Rs. 400 crores in turnover and Rs. 200 cores in Reserves & Surplus this year while retaining the “debt-free” status. Being confident of the future, your Company is expected to complete the Kolkata plant expansion for doubling its capacity by end May 2011 and is looking forward to further expansion opportunities.

The Vesuvius Group continues to support your Company with latest technology, management inputs and export opportunities and has recently laid down a strategy for sustainable profitable growth worldwide. Your Company is aware of the enormous business prospects in the steel as well as non-steel markets in which your Company operates and will derive benefits from implementation of the Group’s strategy.

I thank you for your continued support to your Company.

With my best wishes to all of you.

A handwritten signature in black ink, appearing to be 'S. K. Gupta'.

Dr S. K. Gupta

## Message from President & CEO, Vesuvius Group



Vesuvius India was successful in 2010 and confirmed its excellent performance shown through the crisis. While the Indian economy progressed steadily, your Company managed to grow even faster and reach a new step in its development.

In 2010, Vesuvius established its new strategic plan for the next five years. Growth in India was evidenced as a key objective, given the potential of the market and the quality of the VIL people and assets.

The perspectives of the Indian Steel Industry seem extremely favourable if all stakeholders find a well balanced agreement for a sustainable development of the local resources. Vesuvius is willing to contribute to this future with its technology that allows a better energy conservation and a more respectful use of mineral resources.

Vesuvius encourages the expansion of VIL. It has provided its latest technical developments for the new plants built in Kolkata and Visakhapatnam and will continue to support your Company accordingly so that it remains at the forefront of the challenge for a cleaner and safer industry.

With my best wishes to all of you.

A handwritten signature in blue ink, appearing to be 'F. Wanecq'.

François Wanecq

## Board of Directors



**Dr SAIBAL KANTI GUPTA**

*Chairman*

Dr S K Gupta is a metallurgical engineer with Ph.D. and D.Sc. in ferrous process metallurgy and has over 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). Government of India has conferred upon him the title "National Metallurgist". He is a Director of the Company since October 1999 and Chairman since April 2002.

**TANMAY KUMAR GANGULY**

*Managing Director*



Mr Tanmay Kumar Ganguly is a B.Com graduate and a Chartered Accountant and has over 23 years experience in Chemicals, Refractory and FMCG industry. He started his career with Union Carbide India Ltd and has worked in ICI (India) Ltd, Hindustan Lever Limited, as Chief Financial Officer of Pillsbury India, as Finance Director-Asia Pacific Region of General Mills (Pillsbury), as CEO of General Mills India and then as COO of Radhakrishna Foodland Pvt Ltd. He previously worked in the Company as Controller between 1996 to 1999 and rejoined in 2006 as COO. He became Managing Director in April 2007.



**FRANCOIS CLEMENT WANECQ**

Mr Francois Clement Wanecq is Executive Director of Cookson Group plc. and President & CEO of Vesuvius Group and is based at Brussels, Belgium. After his education at Polytechnique College, Paris, and thereafter at Mining College, Paris, he has been with the French Ministry for Industry and was Head of Research and Production Department at the Oil and Gas Directorate, Managing Director of Technical Ceramics Division of Saint Gobain, Director of Arjo Wiggins Appleton plc. and Chairman of the Management Board of Arjo Wiggins. He has over 33 years experience including in ceramics business. He is a director of Foseco India Limited and 11 companies abroad. He became a Director of the Company in March 2007.

**Dr CLAUDE DUMAZEAU**



Dr Claude Dumazeau holds a Ph.D. in Material Science from France. He is the Vice President-Research & Development of Vesuvius Group and has over 30 years experience in Vesuvius Group in areas of marketing, sourcing, patents and Research & Development. He is presently the head of Research & Development for Vesuvius Group worldwide. He is based at Brussels, Belgium. He is a director of 5 companies abroad. He is a Director of the Company since December 1994.

### BOARD OF DIRECTORS

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

Francois 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 31.12.2010)

Tanmay Kumar Ganguly

*Managing Director*

Sudarshan Das

*Chief Executive - Sales*

Sanjoy Dutta

*Chief Financial Officer*

Subrata Roy

*Chief Executive - Operations*

**SHEKHAR DATTA**

Mr Shekhar Datta is a Mechanical Engineer (London) and Fellow of All India Management Association. He was the Chairman of Bombay Stock Exchange and the past President of Confederation of Indian Industry (CII), Bombay Chamber of Commerce & Industry and Indo-Italian Chamber of Commerce & Industry. He was the Managing Director & President of Greaves Limited (formerly Greaves Cotton & Co. Limited), Mumbai. He is a Director of the Company since January 2003.

**BISWADIP GUPTA**

Mr Biswadip Gupta is a BE(Metallurgy) and MBA and has about 40 years experience in the steel and refractory industry. He is association with the Vesuvius Group since 1979. He had been instrumental in setting up of the Indian operations. He was formerly President of Bengal Chamber of Commerce and Industry, Deputy Chairman of the Indian Refractory Makers Association and Chairman of CII (Eastern Region). He is presently Jt. Managing Director & CEO of JSW Bengal Steel Ltd. He became a Director of the Company in September 1991 and Managing Director from February 1992 to April 2007. He is a non-executive Director of the Company from April 2007.

**YVES M.C.M.G. NOKERMAN**

Mr Yves M.C.M.G. Nokerman is the Vice President-Finance & Information Technology i.e Chief Financial Officer of Vesuvius Group and is based at Brussels, Belgium. He is a Director on 33 companies abroad belonging to the Vesuvius Group. He is well conversant with the refractory industry having over 26 years of experience. He became a Director of the Company in July 2008.

**SUDIPTO SARKAR**

Mr Sudipto Sarkar is a renowned Barrister and holds B.Sc. (Maths-Hons) from Presidency College, Kolkata; BA (Law Tripos) from Jesus College, Cambridge, UK; LL.M. (International Law) from Jesus College, Cambridge, UK; M.A. (Law) from Jesus College, Cambridge, UK. He is also Barrister, Gray's Inn, London. He is presently practising as a Senior Advocate. He was formerly President of The Bengal Club and presently a Director of Bombay Stock Exchange Limited. He became a Director of the Company in July 2005.

**AUDITORS**

Messrs B S R & Co.  
Chartered Accountants  
Building No 10, 8th floor, Tower-B,  
DLF Cyber City, Phase-II,  
Gurgaon 122 002, Haryana

**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) First factory :  
Plot No. 13, 14 & 15, Block "E"  
IDA Autonagar, Visakhapatnam 530 012
- (b) Second 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 of Annual General Meeting

**Notice** is hereby given that the twentieth 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 19, 2011 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, 2010, and the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr Shekhar Datta, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Dr Claude Dumazeau, 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 B S R & Co., Chartered Accountants, of Building No 10, 8th floor, Tower-B, DLF Cyber City, Phase-II, Gurgaon 122 002, Haryana (Firm's Registration no 101248W) be and are hereby appointed Auditors of the Company to hold office 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.”

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

**Registered Office :**

P-104 Taratolla Road  
Kolkata 700 088  
February 25, 2011

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 12, 2011 to April 19, 2011**, 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 April 23, 2011 and dividend warrants will be despatched on or after April 28, 2011 to those members whose names appear on the Register of Members on April 19, 2011 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 28, 2011.
5. **TRANSFER TO IEPF** : The 10th Anniversary Special Dividend which was declared by the Board of Directors on February 17, 2004, for which the Record Date was March 5, 2004, and remaining unclaimed will be transferred

to the Investor Education and Protection Fund of the Central Government in March 2011 pursuant to the provisions of section 205A of the Companies Act, 1956. Also, Dividend for the year ended December 31, 2003 which was declared at the Annual General Meeting held on April 20, 2004 and remaining unclaimed will be transferred to the Investor Education and Protection Fund of the Central Government in May 2011 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, 2011.

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 Mr Shekhar Datta and Dr Claude Dumazeau 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 reappointment. The particulars of the Directors are given below :

**Item No. 3 :**

Mr Shekhar Datta is a Mechanical Engineer (London) and Fellow of All India Management Association. He is presently a Director of Triveni Engineering & Industries Ltd and Wockhardt Ltd. He was the Chairman of Bombay Stock Exchange Ltd., and the past President of Confederation of Indian Industry (CII), Bombay Chamber of Commerce & Industry and Indo-Italian Chamber of Commerce & Industry. He was the Managing Director & President of Greaves Limited (formerly, Greaves Cotton & Co. Limited) and was Chairman of Morganite Crucibles Ltd. (formerly, Greaves Morganite Crucibles Ltd.), Mumbai. Mr Datta is well conversant with the engineering industry as well as the refractory and crucibles industry. He is a Director of the Company since January 31, 2003. He does not hold any shares in the Company. He is a member of the following Committees :

Name of Company	Name of Committee	Nature of Membership
Vesuvius India Ltd	Audit Committee	Member
	Share Transfer & Investor Grievance Committee	Member
Wockhardt Limited	Audit Committee	Chairman
	Investor Grievance Committee	Chairman
	Remuneration Committee	Member

**Item No. 4 :**

Dr Claude Dumazeau who holds a Ph.D. in Material Science from France, is the Vice President-Research & Development of the parent company with over 30 years experience in Vesuvius Group in areas of marketing, sourcing, patents and Research & Development. He is presently the head of Research & Development for Vesuvius Group worldwide and is based at Brussels, Belgium. He is also a Director of Vesuvius Group SA, Vesuvius France SA, Vesuvius Belgium N.V., Cookson France and Side Dams S.p.A. He is a Director of the Company since December 8, 1994. He does not hold any shares in the Company. He is not a Director of any other company in India nor is a member of any Committee in India.

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

## Vesuvius Diary

### Vesuvius Group

Vesuvius Group is world leader in supply of consumable high performance specialty ceramic refractories used to handle molten metal in the production of steel, foundry castings and photovoltaic (solar) cell. It has 58 major manufacturing locations with over 11700 employees. In the steel market, the

top 15 customers represent 30% of total Vesuvius Group's sales. New refractory technology e.g. tube changers for flat steel, nozzle changers for billet casting, turbostop, etc. which have opened new markets with higher market share are constantly made available to Vesuvius India.

### Business activities

New technology received from the Group which were introduced to the customers have received great success. These include tube changers, new generation slide gate system LG22, liner ladle shroud, carbon-free liner sub-entry nozzles, monoblock stoppers with calibrated pipes etc. The technology of tundish gas diffuser, though introduced earlier, found tremendous application success by our customer. Apart from products, application technologies such as Pumpcast for installation in the troughs and runners, use of shutter vibration system for casting of thin section lining, etc., were introduced for the first time into the Indian market.

Taphole clay production increased with more acceptability by customers. For the first time an order for complete supply and installation of aluminium melting furnace was received which was successfully completed. The largest single SURGUN lining was done in a cement plant. Two new casters were commissioned successfully with Vesuvius refractories.

The New Product Development Centre at Visakhapatnam (previously called "Centre of Excellence") continued to provide new products and

formulations aided by the laboratories of our Group in USA and UK. Apart from product development, the Centre is also working on replacement of imported raw materials with local raw materials.

A Technical newsletter named VESUNET was launched during the year and was appreciated by some of our key customers.



Technical Newsletter "VESUNET"



### Awards and achievements

Vesuvius India received the Safety Breakthrough Award 2010 from the Vesuvius Group and was placed third after NAFTA and Asia Pacific Foundry. We were the only one from the Steel Division (which has a much higher risk exposure) to receive the award. The award was handed over by Mr Francois Wanecq, President & CEO, Vesuvius Group to Mr Tanmay Ganguly, Managing Director.

Safety Breakthrough Award May 2010



Received the  
"Best Eco-  
friendly Industry"  
award

The "Best Eco-friendly Industry" award was given by the Directorate of Andhra Pradesh Industrial Infrastructure Corporation to our factory at Visakhapatnam which completed its 10th year of operation under the Vesuvius banner.

Dr Claude Dumazeau, Director of the Company and Vice President-Research & Development of Vesuvius Group gave a presentation at the 8th India International

Refractories Congress held at Kolkata in February 2010 which was organized by the Indian Refractory Makers Association.

Dr Claude Dumazeau at IREFCON 2010 ▼



## Safety

Safety week was observed at all the factories in March 2010 reminding all to have safer work practices. Employees and their family participated in Safety Poster and Slogan competitions.

Safety and ergonomics training and awareness programs were conducted during the year. Training programs were also held to create awareness on risk identification and mitigation, emergency preparedness etc. Employees were also deputed abroad to attend safety workshops. Road safety training and awareness have also been provided. Safety Breakthrough workshops and Safety Audits

were conducted by several HSE specialists from the Vesuvius Group.

Personal Protective Equipments (PPE) are issued to employees at factory and sites.

Personal Protective Equipments (PPE)  
are issued to employees ▼



▼ Safety workshop being conducted



## Vesuvius Diary *(Contd.)*

### Dividend

The Board of Directors have recommended dividend of Rs. 4/- per share of face value Rs. 10/- i.e. 40%. The dividend together with dividend tax will entail a cash outflow of Rs. 95 million (previous year Rs. 89 million). The Board of Directors have recorded their sincere thanks to the Shareholders and other stakeholders for their continuous support to the Company.

Shareholders at AGM ▼



### Kolkata Plant expansion

A major part of the expansion of the Kolkata plant for doubling of capacity will be completed by May 2011. The balancing capabilities for this will be in place by June 2011. All safety procedures and processes would be in place and no hazardous chemicals will be in use post expansion. Mr Francois Wanecq, President & CEO of Vesuvius Group and Mr Yves Nokerman, Vice President-Finance & Information Technology of Vesuvius Group reviewed the progress of the expansion during their visit to Kolkata in April 2010.

Inauguration by Mr Francois Wanecq ▼



▼ Reviewing of Kolkata plant expansion

