



*Good Quality is Good Business*

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# Quality Policy

*The cover of this Annual Report emphasises our focus and commitment to provide latest technology and products to our customers and to operate all work and business activities to ensure that the quality of our products and services meets the requirements of our customers.*

*Our new Quality Policy is a reflection of our commitment.*

## Quality Policy

### Quality Policy

We will operate all work and business activities to ensure that the quality of our products and services consistently meets the requirements of our internal and external customers.

We will be pro-active in preventing customer issues, and will continuously improve our quality management systems and performance.

### Organization and Responsibilities

We regard quality matters as a mainstream management responsibility. Executives and line managers are directly responsible for quality matters in activities under their control. Management is accountable for quality performance against objectives.

Each and every employee is responsible and accountable for quality matters in activities under their control.

Suppliers are directly responsible for ensuring that the quality of their products and services consistently meet our requirements. Suppliers are accountable for their quality performance against objectives.

We expect everyone to participate positively in the task of improving the quality of our products and services.

### Our Beliefs

- Good Quality is Good Business.
- All employees have a responsibility to ensure that whatever we deliver is right.
- All Quality issues are preventable.

### Our Aims

- No out-of-specifications products shipped.
- **No Repeat Customer Issues**
- No poor quality passed to the next step in our processes.

### Our Commitments

- We will welcome quality concerns raised by our Customers, Employees and Suppliers as opportunities for improvement and pro-actively tackle them.
- We will raise quality issues at all levels and openly address them.
- We will build quality into our products and processes.
- We will abide by simple and non-negotiable standards.
- We will provide training to all employees to ensure that they understand their responsibilities and are able to act accordingly.
- We will work pro-actively with our Suppliers to develop our mutual capabilities.
- Every business facility will have an appointed Quality Manager.

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

14 September 2010



François Wanecq  
President & CEO



Patrick Bikard  
VP Manufacturing, Engineering,  
QHSE & Purchasing



VESUVIUS

# BOARD OF DIRECTORS



**Dr SAIBAL KANTI GUPTA**  
*Chairman*



**TANMAY KUMAR GANGULY**  
*Managing Director*



**FRANCOIS CLEMENT WANECQ**



**Dr CLAUDE DUMAZEAU**



**SHEKHAR DATTA**



**BISWADIP GUPTA**



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



**SUDIPTO SARKAR**

## 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

Tanmay Kumar Ganguly

*Managing Director*

Sudarshan Das

*Chief Executive - Sales*

Sanjoy Dutta

*Chief Financial Officer*

Subrata Roy

*Chief Executive - Operations*

## AUDITORS

Messrs B S R & Co.

Chartered Accountants

Building No. 10, 8th floor, Tower-B,

DLF Cyber City, Phase-II,

Gurgaon 122 002, Haryana

(Firm Registration No. 101248W)



## 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) 4011 6739 Email : rta@cbmsl.com

Website : www.cbmsl.com

## REGISTERED OFFICE

P-104 Taratala Road

Kolkata 700 088

Tel : (033) 30410600; 2401 2842/ 3898/ 0215

Fax : (033) 2401 3976/ 1235

Email : vesuviusindia@vesuvius.com

Website : www.vesuviusindia.com

### **Kolkata Factory :**

P-104 Taratala 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

Tel : (0891) 3011300; 3011337

Fax : (0891) 2587511

Email : Tumma.Antony@vesuvius.com

(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



## Message from Chairman

Dear Shareholders

During this year Sales has increased by over Rs 100 crores, Rs 38 crores have been invested in fixed assets and Capital Work-in-Progress and about 15 acres of land is being acquired in Visakhapatnam for setting up the fifth plant of your Company. Improvements in the Mehsana plant and Kolkata plant have increased installed capacity by about 48%. The Kolkata plant expansion for doubling its capacity is nearing completion. Large investments have been made in asset creation for future value addition while continuing to maintain its "Debt free" status.

Share prices had reached an all-time high.

Vesuvius India retained its leadership in the Indian refractory industry and continues its aggressive growth path, which, I am confident will provide improved prospects in the coming years.

The Vesuvius Group continues to support your Company with latest technical and technological developments and export opportunities and it is with their support that the Kolkata plant expansion and venture with the new plant at Visakhapatnam has been possible.

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

Dear Shareholders

In 2011, western economies went through troubled times due to the crisis of the sovereign debt. The financial markets were deeply affected all along the second half of the year. In the same time the Chinese steel industry slowed down. This depressed climate weighed on many other markets and India suffered also at the end of the year with a reduction of its growth rate.

In this context less favourable than expected, Vesuvius India delivered a good performance with a progression of its sales and profit. This confirms the strength of its people and technology.

Vesuvius is committed to speed up the development of Vesuvius India and to support its expansion.

A new plant for Viso products was commissioned in Kolkata during the year. A piece of land was acquired in Visakapathnam. It will host an extension of the monolithics manufacturing capacity together with the building of a R&D center. These investments will give Vesuvius India the means to satisfy the growing needs of its customers and to take advantage of the future development of the Indian industry.

With my best wishes to all of you.



Francois Wanecq



## Notice of Annual General Meeting

**Notice** is hereby given that the twenty-first Annual General Meeting of the Members of Vesuvius India Limited will be held at Williamson Magor Hall, The Bengal Chamber of Commerce & Industry, Royal Exchange, 6 Netaji Subhas Road, Kolkata 700 001 on Thursday, April 26, 2012 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, 2011, and the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Mr Sudipto Sarkar, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr Biswadip Gupta, 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.”

### **SPECIAL BUSINESS**

6. To consider and if thought fit to pass, with or without modification, the following resolution as a Special Resolution:

**“RESOLVED** that pursuant to the provisions of Section 309(4) read with Section 309(7) of the Companies Act, 1956 or any re-enactments thereof, the Directors of the Company (other than the Managing Director) be and are hereby authorised to continue to receive a commission, to be divided between them in such manner as may be determined by the Board of Directors, which shall not exceed in the aggregate one per cent (1%) of the net profits of the Company, computed in the manner prescribed under Section 198(1) of the Companies Act, 1956 or any re-enactments thereof, in respect of the profits for each of the five financial years of the Company commencing from April 1, 2012.”

7. To consider and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution of which due notice in writing under Section 257 of the Companies Act, 1956, has been received by the Company from a member:

**“RESOLVED** that Mr Tanmay Kumar Ganguly be and is hereby reappointed a Director of the Company with effect from April 18, 2012 who shall not be liable to retire by rotation.”

**“RESOLVED FURTHER** that, pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and other provisions of the Companies Act, 1956 including any statutory modification or re-enactment thereof and subject to the approval of the Central Government, if applicable, consent be and is hereby given to the appointment of Mr Tanmay Kumar Ganguly as Managing Director of the Company for a period of five years effective from April 18, 2012 to April 17, 2017 on a remuneration as set out in the draft Agreement, duly initialled by the Chairman for identification, to be entered into between the Company of the one part and Mr Ganguly of the other part.



“**RESOLVED FURTHER** that the Board of Directors of the Company be and is hereby authorised to modify, determine and/or revise the remuneration and perquisites of Mr Ganguly including his salary, allowances, commission, bonus, perquisites and benefits within the overall ceilings laid down in the aforesaid draft Agreement and the Companies Act, 1956 including any statutory modification or re-enactment thereof.”

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

**Registered Office :**

P-104 Taratala Road  
Kolkata 700 088  
February 29, 2012

Taposh Roy  
Company Secretary

Encl : Explanatory Statement pursuant to section 173 of the Companies Act, 1956 is annexed

**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 19, 2012 to April 26, 2012, 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 30, 2012 and dividend warrants will be despatched on or after May 7, 2012 to those members whose names appear on the Register of Members on April 26, 2012 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 30, 2012.
5. **TRANSFER TO IEPF** : Dividend for the year ended on December 31, 2004 which was declared at the Annual General Meeting held on April 12, 2005 and remaining unclaimed will be transferred to the Investor Education and Protection Fund of the Central Government in May 2012 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 15, 2012.
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. **NOMINATION** : Pursuant to the provisions of section 109A and 109B of the Companies Act, 1956, Members are informed that they may nominate at any time, in the prescribed manner, a person to whom their shares in the Company shall vest in the event of their death. Nomination Form 2B is available on the website of the Company at [www.vesuviusindia.com](http://www.vesuviusindia.com) under the heading "Investor Information" and "Download Forms".
8. **WEBSITE** : The Company's website is **[www.vesuviusindia.com](http://www.vesuviusindia.com)** Annual Reports of the Company and other Shareholder Communication and standard downloadable forms are made available on the Company's website.

## Notice of Annual General Meeting (Contd.)

9. **COMMUNICATION** : The Company has implemented the “Green Initiative” as per Circular nos 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, all Shareholder communication including notices and Annual Reports will be sent to the email addresses of Members available with the Company and the Depositories. The documents/notices will also be made available on the Company’s website [www.vesuviusindia.com](http://www.vesuviusindia.com) and will be available for inspection by the Members at the Registered Office of the Company between 10.30 a.m. and 12.30 pm on all working days.
10. **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](mailto:rta@cbmsl.com) )** for recording any change of address, bank mandate, NECS, share transfers/transmission or nominations regarding shares held by them in physical form and for redressal of complaints or contact the Company Secretary at the Registered Office or by email at [Taposh.Roy@vesuvius.com](mailto:Taposh.Roy@vesuvius.com).
11. **REAPPOINTMENT OF DIRECTORS** : Pursuant to Clause 49 of the Listing Agreements with the stock exchanges, it is informed that Mr Sudipto Sarkar and Mr Biswadip Gupta 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 Sudipto Sarkar, a renowned Barrister, aged about 63 years, is a Director of the Company since July 26, 2005. He 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 also has several publications to his credit on Evidence, Law of Civil Procedures and Specific Relief Act. He is the collaborating editor of Ramaiya’s Guide to the Companies Act and contributor to several volumes of International Law Reports (Cambridge). He has also instituted the Sarkar Law lectures in Kolkata, where senior English Judges such as Lord Slynn of Hadley, Lord Nicholls of Birkenhead and Lord Justice Robin Auld have lectured.

He was formerly Chairman of the Board of Directors of Clarion Advertising Services Ltd, now known as Bates India Ltd and President of The Bengal Club, Calcutta 1998-99 and Director of Bombay Stock Exchange Limited. He is presently a Director of JSW Steel Ltd, Eveready Industries Ltd, EIH Associated Hotels Ltd, B & A Limited, B & A Packaging India Ltd, DESCON Limited, Island Hotel Maharaj Ltd and McNally Bharat Engineering Co Ltd. He is a member of the following Committees:

Name of Company	Name of Committee	Nature of Membership
EIH Associated Hotels Ltd	1. Audit Committee	Member
	2. Investors Grievances Committee	Member
Eveready Industries Ltd	Audit Committee	Member
Indian Institute of Corporate Affairs	(constituted by Ministry of Corporate Affairs, New Delhi)	Panel of Experts
JSW Steel Ltd	Audit Committee	Member
McNally Bharat Engineering Company Ltd	Shareholders & Investors Grievances Committee	Member
Vesuvius India Ltd	1. Audit Committee	Member
	2. Share Transfer & Investor Grievance Committee	Member

Mr Sarkar’s nature of experience is in Law and Corporate Affairs. He does not hold any shares in the Company.