

ANNUAL REPORT



1
9
9
8
-
9
9

Report  junction.com

Cookson  


VESUVIUS
INDIA LIMITED



Vesuvius India Ltd. :	
Mission	2
Notice	4
Explanatory Statement	8
Directors' Report	9
Auditors' Report	18
Balance Sheet	20
Profit & Loss Account	21
Schedules to the Accounts	22
Cash Flow Statement	30
Abstract of Balance Sheet	32
Attendance Slip/Proxy Form, Nomination Form & Letter to Shareholders	

DIRECTORS

Jahar Sengupta
Chairman

Jean Pierre Malherbe

Claude Durnazeau

Alan Ridley

Pradip Kumar Khaitan

Nitendra Mohan Ghose

Biswadip Gupta
Managing Director

COMPANY SECRETARY

Zahra Basrai

EXECUTIVE COMMITTEE

Biswadip Gupta

Tanmay Ganguly

Tarun Basu

Bappaditya Chakraborty

Susanta Kumar Bandyopadhyay

Sanjoy Dutta

Jean Philippe Jimenez

Zahra Basrai

AUDITORS

Lovelock & Lewes
4, Lyons Range, Calcutta 700 001

SOLICITORS

Khaitan & Co
9, Old Post Office Street, Calcutta 700 001

BANKERS

Hongkong Bank
31, B B D Bagh, Calcutta 700 001

United Bank of India
Taratolla Road, Calcutta 700 088

State Bank of India
Commercial Branch, Park Street, Calcutta 700 017

REGISTRARS AND SHARE TRANSFER AGENTS

CB Management Services Ltd
P-22, Bondel Road
Calcutta 700 019
Tel: 280 6692/93/94/2486
Fax: 247 0263
E-mail : cbmsl@gncal.globalnet.ems.vsnl.net.in

REGISTERED OFFICE

P-104, Taratolla Road
Calcutta 700 088
Tel: 401 2842/3898/0215/0237/6949
Fax: 401 2909/1235



In whatever we do, we believe
in Vesuvius that our customers are
our focal point. The change in
today's economy is subtle, yet
profound. Customers today
expect values.

2

Report

junction

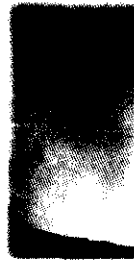
We strive for
customer
satisfaction

It is our constant endeavour to create
such values, harnessing the best resources
available in the world. In the changing world,
it is this ability to delight customers that will
ultimately set us apart from others.



We motivate
our people

Vesuvius recognizes that its people are unique individuals, who bring to the workplace their own special skills, knowledge, dedication and professionalism towards the realization of common objectives. This is our biggest asset and like any other asset, is nurtured with care and respect.



Yes, our
mission is
leadership

Vesuvius is a worldwide leader in developing, manufacturing and marketing high performance speciality refractories and control systems for demanding industrial applications. Our mission is to delight our customers and grow our business through continuous improvement of our service, technology, products and people, while realizing a return on our investment that allows us to prosper as a company.



NOTICE

Notice is hereby given that the Eighth Annual General Meeting of the Company will be held at G D Birla Sabhaghar, 29, Ashutosh Chowdhury Avenue, Calcutta - 700 019 on Wednesday, August 25, 1999 at 10.30 a.m. to transact the following business :

- 1) To receive and adopt the Audited Accounts for the financial year ended on March 31, 1999, together with the Directors' and Auditors' Report thereon.
- 2) To declare a dividend for the financial year ended on March 31, 1999.
- 3) To appoint a Director in place of Mr. Claude Dumazeau, who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To appoint a Director in place of Mr. P K Khaitan, who retires by rotation and being eligible, offers himself for re-appointment.
- 5) To appoint Auditors of the Company and to fix their remuneration.

AS 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 31 and other applicable provisions, if any, of the Companies Act, 1956, ("the Act"), and the provisions of other statutes as applicable, and subject to such approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities, the Articles of Association of the Company be and are hereby altered in the manner and to the extent set out below :

- (i) The existing sentence of Article 1 "Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Act" be substituted with :

"Unless the context otherwise requires words or expressions contained in these Articles shall bear the same meaning as in the Act and/or The Depositories Act, 1996".

- (ii) The following new definitions be inserted after the definition of 'Proxy' in Article 1 :
 "Member" means the duly registered holder from time to time of the shares of the Company of any class and includes the subscriber(s) of the Memorandum of the Company and also every person whose name is entered as the beneficial owner of any share in the records of the Depository, but does not include the bearer of a share warrant of the Company issued in pursuance of Section 114 of the Act.
 "Beneficial Owner" shall have the meaning assigned thereto by Section 2(1) (a) of The Depositories Act, 1996.
 "Depository" shall have the meaning assigned thereto by Section 2(1)(e) of The Depositories Act, 1996.
 "The Depositories Act, 1996" shall mean The Depositories Act, 1996 and include any statutory modification or re-enactment thereof for the time being in force.
 "Securities & Exchange Board of India" means the Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.

- (iii) The existing Article 7 shall be re-numbered as Article 7 (i) and the following Article be inserted as Article 7 (ii) after Article 7 (i) :

'Intimation to Depository'

"Notwithstanding anything contained in this Article, where securities are dealt with in a Depository(s), the Company shall intimate the details of allotment of securities to the Depository(s) immediately on allotment of such securities."

NOTICE (Contd.)

- (iv) Article 12 be substituted with the following Article :

'The Company not bound to recognise any interest in share other than that of Registered holder or Beneficial owner'

"Save as herein otherwise provided, the Company shall be entitled to treat the person whose name(s) appears on the Register of Members/Debentures as the holders of any share/debenture in the records of the Depository(s) as the absolute owner thereof and accordingly shall not (except as may be ordered by a Court of competent jurisdiction or as may be required by law) be bound to recognise any benami trust or equitable, contingent, future or other claim or interest or partial interest in any such share/debenture on the part of any other person, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto on the part of any other person whether or not it shall have express or implied notice thereof, but the Board shall be at liberty and at its sole discretion decide to register any share/debenture in the joint names of any two or more persons or the survivor or survivors of them."

- v) The following new Article be inserted as Article 13A after Article 13 :

'The Company to recognise interest in securities other than that of Registered holder, under The Depositories Act.'

"The Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with the Depository in electronic form and the certificates in respect thereof shall be dematerialised, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto, shall be governed by the provisions of The Depositories Act, 1996".

- (vi) The following new Articles be inserted as Articles 14(4), 14(5), 14(6) and 14(7) after Article 14(3) :

'Power to Company to dematerialise and rematerialise'

"14(4) The Company shall be entitled to dematerialise its existing shares, debentures and other securities, and rematerialise its such shares, debentures and other securities held by it with the Depository and/or offer its fresh shares and debentures and other securities in a dematerialised form pursuant to The Depositories Act, 1996 and the Rules framed thereunder, if any."

'Options for Depositors'

"14(5) Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. A beneficial owner of any security can at any time opt out of the Depository, if permitted by law, in the manner provided by The Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Securities."

'Securities in Depositories and Beneficial owner'

"14(6) All securities held by a Depository shall be dematerialised and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners."

'Rights of Depositories and Beneficial owner'

"14(7) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

NOTICE (Contd.)

- (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities attached to such of his securities which are held by a Depository."

(vii) The following new Articles be inserted as Articles 44A and 44B after Article 44.

'Nomination'

"44A (1) Every shareholder or debenture holder of the Company, may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be prescribed under the Act.

(2) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be, shall vest in the event of death of all the joint holders in such manner as may be prescribed under the Act.

(3) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purports to confer on any person the right to vest the shares or debentures, the nominee shall, on the death of the shareholder or debenture holder or, as the case may be, on the death of the joint holders become entitled to all the rights in such shares or debentures or, as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be prescribed under the Act.

(4) Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint any person to become entitled to shares in, or debentures of, the Company in the manner prescribed under the Act, in the event of his death, during the minority."

'Transmission of Securities'

"44B (1) A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either—

(a) to register himself as holder of the share or debenture, as the case may be; or

b) to make such transfer of the share or debenture, as the deceased shareholder or debenture holder, as the case may be, could have made.

(2) If the nominee elects to be registered as holder of the share or debenture, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder, as the case may be.

(3) A nominee shall be entitled to the share dividend and other advantages to which he would be entitled if he were the registered holder of the share or debenture. Provided that he shall not, before being registered as a member, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter

Shareholders

withhold payment of all dividends, bonuses or their moneys payable in respect of the share or debenture, until the requirements of the notice have been complied with."

- (viii) The existing Article 159 be renumbered as Article 159(1) and the following Article be inserted as Article 159(2) after Article 159(1) :

'Service of documents on the Company' "Where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or disks."

- (ix) The existing Article 164 be substituted with the following Article :

'Register and Index of Members' "The Company shall duly keep and maintain at its Registered Office or at such other place as may be decided, the various Registers required to be kept and maintained under the Act or Rules made thereunder and The Depositories Act, 1996 with the details of shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.

The Register and Index of beneficial owners maintained by a Depository under Section 11 of The Depositories Act, 1996 shall also be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or country."

By Order of the Board of Directors

ZAHRA BASRAI

COMPANY SECRETARY

Calcutta
July 2, 1999

Report Junction.com

Notes

1. 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 himself. A proxy need not be a member of the Company. Proxies, in order to be effective, must be received by the Company not later than 48 hours before the Meeting.
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business under Item 6, is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from August 16, 1999 to August 25, 1999, both days inclusive.
4. The dividend, if approved, will, subject to the provisions of Section 206A of the Companies Act, 1956, be paid on or after September 10, 1999, to those members (or to their mandatees) whose names appear in the Register of Members on August 25, 1999.
5. Members are requested to notify any change in their address immediately to C B Management Services Limited, Registrars and Share Transfer Agents of the Company at P-22, Bandel Road, Calcutta - 700 019.

EXPLANATORY STATEMENT

RESOLUTION NO. 6

RESOLUTION NO. 6

In accordance with the recommendation of Securities and Exchange Board of India (SEBI), regarding compulsory dematerialised trading of scrips of the Company by institutional investors and Overseas Corporate Bodies, the Company has made necessary arrangements for trading in electronic form, as authorised by the Board of Directors at its meeting held on November 19, 1997, by signing a Tripartite Agreement with National Securities Depositories Ltd. (NSDL) and C B Management Services Ltd., the Registrars and Share Transfer Agents for listing of the shares with NSDL. The securities were available for dematerialisation with effect from March 26, 1999 and were available for trading in the electronic segment on The Stock Exchange, Mumbai and National Stock Exchange of India Ltd., with effect from April 6, 1999 and April 7, 1999 respectively.

Further, by the Companies (Amendment) Ordinance, 1999, the holders of securities of the Company have been given an option to nominate a person to whom the rights of security holders of the Company will vest in the event of his death. To ensure that the facility of nomination is available to the shareholders, the nomination clause has been included in the Articles of Association of the Company.

In view of the above, it is necessary to amend the Articles of Association of the Company in the manner stated in the Resolution.

In terms of Section 31 of the Companies Act, 1956, alteration of the Articles of Association can be done only by passing a Special Resolution and accordingly the resolution set out in Item 6 has been proposed as a Special Resolution.

None of the Directors are interested or concerned in this Resolution.



By Order of the Board of Directors

Calcutta
July 2, 1999

ZAHRA BASRAI
COMPANY SECRETARY