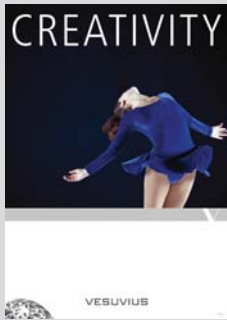


Our values



Creativity

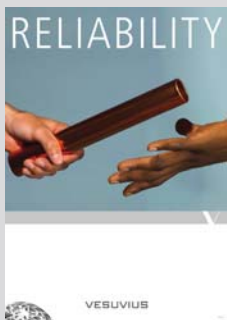
Our commitment to technology and quality is the basis for our competitive advantage: our creativity is what allows us to develop innovative solutions that generate value through performance enhancements and continuous improvements.



Cooperation

Encouraging internal and external cooperation is an effective tool which enables us to create unique solutions with our partners.

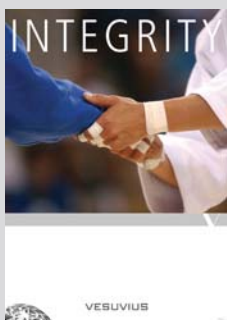
Each Vesuvius employee is committed to the success of its community of colleagues and customers.



Reliability

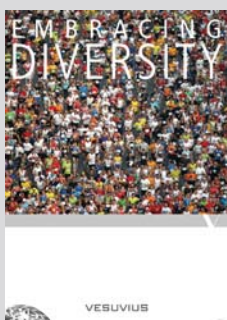
Our solutions involve us in critical aspects of our customers' manufacturing processes.

Our commitment to consistently deliver quality products and services gives them the level of confidence they require.



Integrity

At the heart of our promise lies the trustworthiness of all Vesuvius employees in their acts and words. Integrity, honesty and transparency are essential in all our relationships.



Embracing diversity

Vesuvius is a global company built upon a true respect for local customs and experience. We recognize and embrace the potential for creativity that comes from the coexistence of so many different cultures.

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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

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) 40116739, 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

Notice of Annual General Meeting

Notice is hereby given that the twenty-second 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 Thursday, April 25, 2013 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, 2012, and the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Dr Saibal Kanti 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 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 Taratala Road
Kolkata 700 088
February 26, 2013

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 PROXY 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 18, 2013 to April 25, 2013**, both days inclusive.
3. **DIVIDEND :** 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, 2013 and dividend warrants will be despatched on or after May 3, 2013 to those members whose names appear on the Register of Members on April 25, 2013 or to their mandatees. In respect of shares held in electronic form, 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 31, 2013. Details of dividend unclaimed by Members for the past years which have not yet been transferred to the Central Government have been uploaded on the Company's website www.vesuviusindia.com. Members are encouraged to view the lists and lodge their claim for dividend which have remained unclaimed with our Registrars & Share Transfer Agents.
5. **TRANSFER TO IEPF :** Dividend for the year ended on December 31, 2005 which was declared at the Annual General Meeting held on April 20, 2006 and remaining unclaimed will be transferred to the Investor Education and Protection Fund of the Central Government in May 2013 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 14, 2013.

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** under the heading "Investor Information" and "Download Forms".
8. **WEBSITE** : The Company's website is **www.vesuviusindia.com**. Annual Reports of the Company, unclaimed dividend list and other Shareholder Communication and standard downloadable forms are made available on the Company's website.
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** 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)** 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.
11. **REAPPOINTMENT OF DIRECTORS** : Pursuant to Clause 49 of the Listing Agreements with the stock exchanges, it is informed that Dr Saibal Kanti 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 reappointment. 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 53 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 BMM Ispat Ltd and a Director of JSW Steel Ltd, Jindal Saw Ltd, Jindal South West Holdings Limited, Sobha Developers Ltd. and Surana Industries Ltd. For his outstanding contributions to metallurgical enterprises in general and steel fraternity in particular, Government of India had 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. He is not related to any other Director of the Company. Dr Gupta is a member of the following Committees :

- (1) **JSW Steel Ltd** - (a) **As Chairman** - Remuneration Committee, Risk Management Committee and Business Responsibility Committee and (b) **As Member** - Audit Committee, Investor Grievances Committee, Share Allotment Committee and Project Review Committee;
- (2) **Jindal South West Holdings Ltd** – **As Member** - Audit Committee, Investor Grievances Committee and Remuneration Committee;
- (3) **Sobha Developers Ltd** – **As Member** - Audit Committee and Investor Grievance Committee;
- (4) **Surana Industries Ltd** – (a) **As Chairman** - Remuneration Committee and (b) **As Member** - Share Transfer & Investor Grievance and
- (5) **Vesuvius India Ltd** – (a) **As Chairman** – Audit Committee and (b) **As Member** - Share Transfer & Investor Grievance Committee

Item No. 4 :

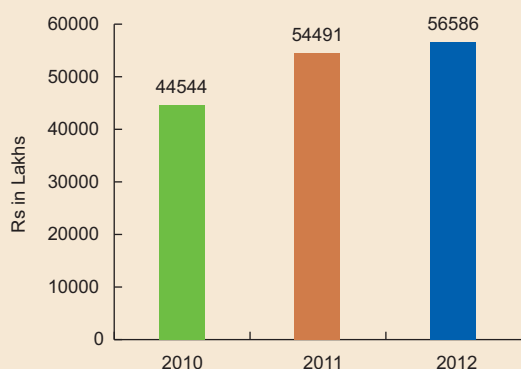
Mr Yves M.C.M.G. Nokerman is the Vice President Finance & IT of Vesuvius Group and is based in Brussels, Belgium. He joined the Board of Directors on July 29, 2008. He is not a director of any other company in India. But is a director on 32 companies abroad belonging to the Group. He is well conversant with the refractory industry having over 27 years of experience. He does not hold any shares in the Company. He is not related to any other Director of the Company. Mr Nokerman is a member of the Audit Committee only.

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

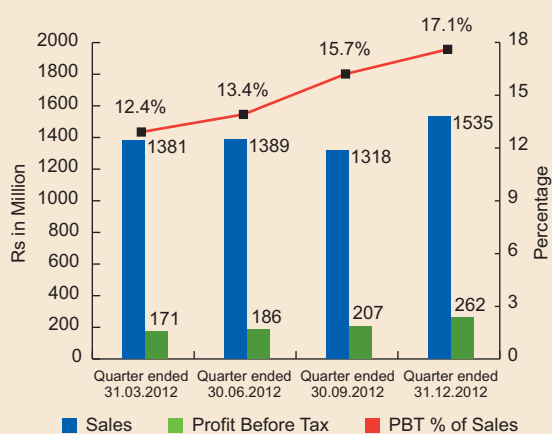
Report of The Directors and Management Discussion & Analysis Report

FOR THE YEAR ENDED ON
DECEMBER 31, 2012

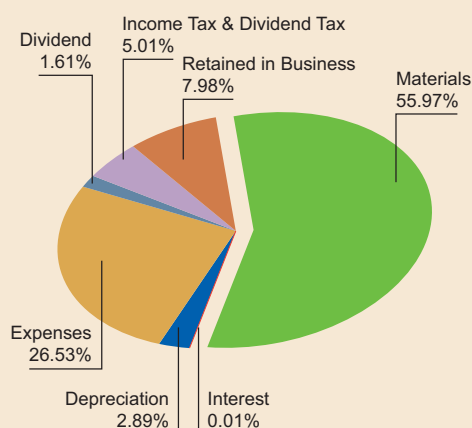
Total Revenue



Quarterly Trends



How the rupee was spent



The Directors have pleasure in submitting their Annual Report together with the Audited Statements of Account for the year ended on December 31, 2012.

The Year in Retrospect

Financial Results	(Rs Lakhs)	
	Year ended 31.12.2012	Year ended 31.12.2011
Sale of Goods (excluding Excise Duty)	53,553	51,236
Sale of Services	2,681	2,790
Other Income	352	465
Total Revenue	56,586	54,491
Profit before Depreciation, Interest & Tax (PBDIT)	9,904	9,796
Depreciation & Amortisation	1,635	1,467
Interest	6	61
Profit before Tax	8,263	8,268
Provision for Income Tax	2,687	2,746
Profit after Tax	5,576	5,522
Balance as per last		
Balance Sheet brought forward	22,647	18,677
Available for appropriation	28,223	24,199
Appropriations made :		
Proposed Dividend @ Rs 4.50 per share i.e. 45 %	913	863
Dividend Tax	148	137
Transfer to General Reserves	558	552
	1,619	1,552
Balance in Statement of Profit & Loss	26,604	22,647
	28,223	24,199
Basic & Diluted Earnings Per Share	Rs 27.48	Rs 27.21

Operating & Financial Performance, Internal Control

It continued to be a difficult period for the Indian economy reflected by lower GDP, inflationary trends and lower industrial production. The steel industry, which comprises the biggest group of the Company's customers, also faced a similar difficult period. Poor availability of iron ore and other raw materials resulted in reduced production and major expansion projects have been delayed. These have had a negative impact on our business.

This year total revenue increased by over Rs 2,058 lakhs driven by domestic growth in spite of the slowdown in domestic steel production while exports had marginally reduced.

Increase in raw material prices, energy & transportation and adverse foreign exchange fluctuation have placed a burden on the margins for the year. Margin decline was most severe at the beginning of the year. Focussed action on cost, internal efficiencies and price optimisation helped restore profitability by year end.

The Kolkata plant expansion was completed in April 2012 and the plant is ready to cater to the proposed increased demand of customers. Freehold land at Visakhapatnam has been purchased and possession obtained for setting up the fifth plant of the Company. An international standard Research & Development Centre is also proposed at this location.

The Company always engages with customers to enable them to be aware of the systems and processes internally followed by the Company. In one such interaction, Mr A P Choudhry, Chairman and Managing Director of Rashtriya Ispat Nigam Limited visited their Blast Furnace -III at Visakhapatnam and interacted with the Vesuvius team working at that site. He was delighted with the processes being followed and appreciated that all team members strictly adhered to the Health and Safety norms.

The LD3 CSP caster-1 at Tata Steel was commissioned successfully in February 2012. Vesuvius provided the entire tundish refractory and application for this caster. The entire refractory job for the new 1.2 million tons per annum pellet ("MTPA") plant of BMM Ispat which was commissioned during the year was provided by the Company. Similar turnkey refractory supply and installation was done at Essar Steel's 6 MTPA iron ore pelletisation furnace in Paradip. The largest boiler gunning repair work was done for JSW Energy at Barmer during the year.

All four factories had been working at near full efficiency during the year. In-plant rejection for all manufactured items have been further reduced due

to improved processes. Safety measures and processes have been installed at all plants and work sites.

The Company has in place an established internal control system designed to ensure proper recording of financial and operational information and compliance of various internal controls and other regulatory and statutory compliances. Internal Audit has been conducted on a pan India basis.

The Company has complied with the provision of the Code on Internal Control which require that the Directors review the effectiveness of internal controls including financial, operational and compliance control and risk management systems. Self certification exercises are also conducted by which senior management certify effectiveness of the internal control system for which they are responsible together with the Company's policies.

Dividend

The Board of Directors are pleased to recommend dividend of Rs 4.50 per share i.e. 45% on Equity Shares of Rs 10/- each. The dividend together with dividend tax will entail a cash outflow of Rs 1,061 lakhs (previous year Rs 1,000 lakhs). If this is approved at the forthcoming Annual General Meeting, dividend will be deposited with the bank within April 30, 2013 and dividend warrants will be despatched on or after May 3, 2013 to those who are members of the Company as on April 25, 2013. In respect of shares held electronically, dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories.

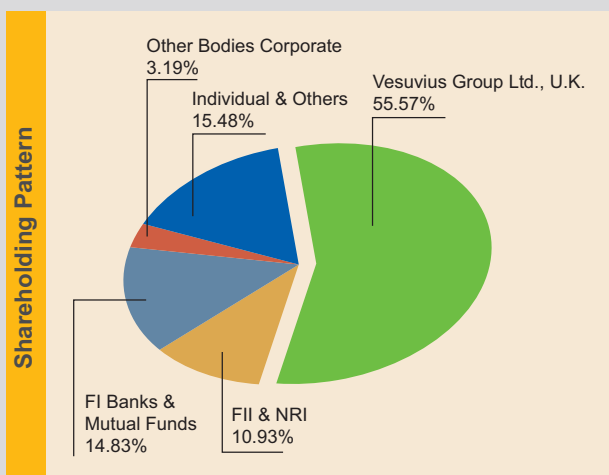
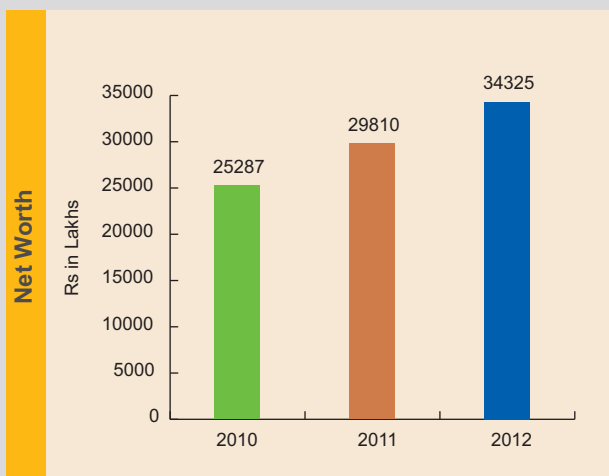
ISO Certification

The Company's factories at Kolkata, Mehsana and Visakhapatnam and two of its sites at Surat in Gujarat and Dolvi in Maharashtra have been certified ISO 9001:2008 for Quality Management Systems Standards.



Mr. A. P. Choudhry, CMD of RINL with Vesuvius Team

Report of The Directors (Contd.)



Segmentwise performance

The Company is primarily a manufacturer and trader of refractory and is managed organizationally as a single unit. Accordingly, the Company is a single business segment company. Geographical (secondary) segment has been identified as domestic sales and exports.

Industry Structure & Developments, Opportunities & Threats, Outlook, Risks & Concerns

It continues to be a difficult period for the Indian economy. GDP has become lower at around 5% while inflation remains high. Foreign exchange fluctuation have also added to the concerns and estimates had to be revised. The steel industry, which is the major customer of the Company, which have been impacted with shortage of iron ore and other raw material have reduced volumes and have delayed their expansion plans.

Competition activities have increased causing pressure on margins. International refractory companies are now strategically entering Indian and South Asian markets.

Other industries like Aluminium, Cement, Power etc where the Company also operates, have also been facing similar slow down due to reduced demand.

Your Company trades in refractory based solutions and steel industry comprises the biggest group of its customers. Hence anything that affects the steel industry will have its one off effect on our business. India is set to emerge as the second largest producer and consumer of steel in the next few years and refractory being an essential requirement in steel industry will see increased demand. The Kolkata plant expansion was completed in April 2012 and is ready to meet any increased demands of the customer.

All business operations have risks and threats attached to them most of which may be outside the control of the Company. Apart from the concerns over raw material prices and availability, fluctuations in exchange rates, inflationary pressures, adverse political or regulatory developments, aggressive competition and chances of a reduction in customer output leading to lower demands are some perceived threats.

During the year a risk analysis and assessment was conducted in line with the Group requirements and no major risks were noticed.

Directors

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