

Vesuvius India Limited

MINUTES OF THE 24th ANNUAL GENERAL MEETING OF
VESUVIUS INDIA LIMITED
HELD AT WILLIAMSON MAGOR HALL, THE BENGAL CHAMBER OF
COMMERCE & INDUSTRY, ROYAL EXCHANGE, 6 NETAJI SUBHAS ROAD,
KOLKATA 700 001 ON THURSDAY, MAY 7, 2015 AT 10.30 A.M.

PRESENT

MR	BISWADIP GUPTA	In the Chair
MR	FRANCOIS CLEMENT WANECQ	Director
MISS	NAYANTARA PALCHOUDHIURI	Director
MR	SUBRATA ROY	Managing Director
MR	SUDIPTO SARKAR	Director
MR	TAPOSH ROY	Company Secretary
MR	JAYANTA MUKHOPADHYAY	B S R & Co. LLP, Auditors

MEMBERS/PROXIES

MEMBERS : 419 Members were present in person representing 12,404,034 shares
PROXY : 12 Members were present through proxy representing 125 shares
Vesuvius Group Limited, UK represented by Mr Francois Clement Wanecq

MINUTES

1. CHAIRMAN

Mr Biswadip Gupta took the Chair pursuant to Article 69 of the Company's Articles of Association and welcomed the Members present.

2. QUORUM

The Chairman thereafter declared that the quorum was present and called the Meeting to order. He announced that 15 proxies for 227 shares had been received.

3. NOTICE, ACCOUNTS AND DIRECTORS' REPORT

On the proposal of the Chairman and with the consent of the Members present, the Notice dated February 24, 2015 convening the Annual General Meeting, the Audited Financial Statements for the year ended on December 31, 2014 and the Report of the Directors thereon were taken as read.

4. REGISTER OF DIRECTORS AND PROXIES

The Registers of Directors and their shareholdings were placed on the table and the Chairman declared that the Registers would remain open and accessible to the Members throughout the meeting pursuant to Section 171 of the Companies Act, 2013. The Chairman declared that proxies received were also available for inspection by the Members throughout the Meeting pursuant to Clause 7.8.2 of the Secretarial Standards-2 issued by the Institute of Company Secretaries of India.

5. WELCOME TO MISS NAYANTARA PALCHOUDHURI

The Chairman then introduced Miss Nayantara Palchoudhuri who was appointed Independent Director effective from March 27, 2015 and thanked her for having accepted the invitation to join the Board of the Company. He also thanked the Members for having supported the Company in appointing Miss Palchoudhuri. The Members present welcomed Miss Palchoudhuri with acclamation.

6. CHAIRMAN'S SPEECH

The Chairman introduced the Directors present at the meeting and also introduced Mr Subrata Roy who had become the Managing Director effective from January 1, 2015. The Members present welcomed Mr Subrata Roy with acclamation.

He then informed the Members that Mr Yves Nokerman had resigned from the services of the Vesuvius Group and therefore had offered his resignation as a Director of the Company and that his resignation would be considered at the Board Meeting to be held immediately after the Annual General Meeting.

The Chairman then mentioned that the Company was predominantly dependent on the steel industry which was still passing through a low phase internationally as well as in India. The severe limitations on access to raw materials, inflationary costs and adverse foreign exchange together with unlimited and indiscriminate imports had added to the woes of the Indian steel industry. Steel plants had reduced production. The other industries in which the Company operated were also facing similar difficulties.

The Company had performed significantly well with a higher turnover but due to inflationary and other costs the net profit for the year was lower. Judicious and efficient handling of working capital resulted in increase of cash and bank balances to Rs 143 crores and the Company still remained debt free. The use of energy efficient equipment and improved energy management procedures had resulted in improved specific energy consumption.

The Chairman then reminded the Members that on the occasion of the 20th Anniversary of commencement of commercial production from the Kolkata factory, a 20th Anniversary Special Dividend of Re 1/- per share (i.e. 10%) had been paid on March 12, 2014. This was an interim dividend for the year ended on December 31, 2014.

The Chairman then mentioned that the Board had recommended a Final Dividend of Rs 6 per equity share of face value Rs 10/- each (i.e. 60%) for the year ended on December 31, 2014. The Final Dividend together with the Interim Dividend resulted in a total dividend payment of Rs 7/- per share (i.e. 70%) which was the largest dividend declared by the Company for any year so far. He then mentioned that dividend will be paid electronically on May 15, 2015 and for those who had not yet updated their bank accounts, dividend warrants will be issued on or after May 15, 2014. He requested all Members to update their bank account details so that dividend payments could be made electronically directly to their bank accounts as per the direction given by SEBI and also requested them to dematerialize their shares to enable the Company to have 100% dematerialisation of its share capital.

The Chairman then requested Mr Francois Wanecq, Director of the Company and Chief Executive of Vesuvius plc, to speak to the Members.

Mr Francois Wanecq elaborated on the world steel activity environment and mentioned that growth in steel production was not driven by China any more. There was steel over capacity in

China causing huge exports at lower prices from China and other countries. He stated that there was a foreseeable change in the pattern of future production from flats to long products as the economy was moving to a more infrastructure based consumption pattern. He stated that the future was bright for Indian operations as there was progression in the steel demand due to the Indian Government's huge infrastructure plans and increased consumption patterns. The next few years should see quick growth in steel capacity and production in India. He stated that Indian operations had done well and he congratulated the Management team for its efforts and efficiency and he confirmed that the Group would continue to support the Indian operations.

The Members present applauded the speech of Mr Wanecq with acclamation. The Chairman thanked him for his support to the Company.

7. DECLARATION OF ELECTRONIC VOTING RESULTS

The Chairman informed the Members present that in compliance with the requirements of the Companies Act, 2013, notices convening the Annual General Meeting mentioning the electronic voting procedures etc. along with the Annual Report of the Company had been sent by email to Members whose emails were registered with the Company and by courier or speed post to the other Members. The resolutions mentioned in the Notice dated February 24, 2015 convening the Annual General Meeting had been voted on electronically through the electronic voting facility offered by National Securities Depository Limited under EVEN no 101713 during the voting period May 1, 2015 to May 3, 2015.

He stated that the Revised Rule 20 of the Companies (Management and Administration) Rules, 2014 issued by the Ministry of Corporate Affairs vide notification dated 19th March 2015 was not applicable to this Annual General Meeting since the notice convening this meeting was issued before the revised rules were gazetted.

He confirmed that he had received the Report from the Scrutinizer, Mr Anjan Kumar Roy of M/s Anjan Kumar Roy & Co, Practicing Company Secretaries and in accordance with the requirements of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and based on the Report of the Scrutinizer he declared the results of the electronic voting on the Resolutions as follows :

ITEMS OF ORDINARY BUSINESS

The Ordinary Resolution Number 1 of the Notice dated February 24, 2015 convening the Annual General Meeting was read out by the Chairman as follows :

“RESOLVED that the Statement of Profit and Loss for the year ended on December 31, 2014, the Balance Sheet as on that date and annexures thereto, the Cash Flow Statement for the year ended on December 31, 2014, the Reports of Auditors and Directors thereon be and are hereby received and adopted.”

The Chairman then declared the following results :

Total number of valid votes cast	:	15728452 shares
Total number of invalid votes cast	:	Nil
Voted in favour	:	15728452 shares
Voted against	:	Nil
Result of the E-Voting	:	Votes cast in favour are 100 % of the total valid votes cast. Resolution is approved unanimously

K

The Ordinary Resolution Number 2 of the Notice dated February 24, 2015 convening the Annual General Meeting was read out by the Chairman as follows :

“RESOLVED that pursuant to the recommendation of the Directors, dividend at the rate of Rs 6/- per share, out of the current profits of the Company for the year ended on December 31, 2014 on 20,296,080 (Twenty million two hundred and ninety six thousand and eighty) Equity Shares of the Company, be and is hereby declared and that the same be paid to those Members whose names appear on the Company’s Register of Members as on May 7, 2015.”

The Chairman then declared the following results :

Total number of valid votes cast	:	15728452 shares
Total number of invalid votes cast	:	Nil
Voted in favour	:	15728452 shares
Voted against	:	Nil
Result of the E-Voting	:	Votes cast in favour are 100 % of the total valid votes cast. Resolution is approved unanimously

The Ordinary Resolution Number 3 of the Notice dated February 24, 2015 convening the Annual General Meeting was read out by the Chairman as follows :

“RESOLVED that Mr Biswadip Gupta (DIN No. 00048258), who retires by rotation from the Board of Directors pursuant to the provisions of section 152 of the Companies Act, 2013 and under Article 101 of the Company’s Articles of Association be and is hereby re-appointed a Director of the Company.”

The Chairman then declared the following results :

Total number of valid votes cast	:	15719786 shares
Total number of invalid votes cast	:	Nil
Voted in favour	:	15719786 shares
Voted against	:	Nil
Result of the E-Voting	:	Votes cast in favour are 100 % of the total valid votes cast. Resolution is approved unanimously

The Ordinary Resolution Number 4 of the Notice dated February 24, 2015 convening the Annual General Meeting was read out by the Chairman as follows :

“RESOLVED that Mr Yves M.C.M.G. Nokerman (DIN No. 02283776), who retires by rotation from the Board of Directors pursuant to the provisions of section 152 of the Companies Act, 2013 and under Article 101 of the Company’s Articles of Association be and is hereby re-appointed a Director of the Company.”

The Chairman then declared the following results :

Total number of valid votes cast	:	15728452 shares
Total number of invalid votes cast	:	Nil
Voted in favour	:	15726650 shares
Voted against	:	1802 shares

Result of the E-Voting	:	Votes cast in favour are 99.9885 % of the total valid votes cast. Resolution is approved by requisite majority
------------------------	---	---

The Ordinary Resolution Number 5 of the Notice dated February 24, 2015 convening the Annual General Meeting was read out by the Chairman as follows :

“**RESOLVED** that, pursuant to the provisions of Section 139 of the Companies Act, 2013, Messrs B S R & Co. I.P, Chartered Accountants, of Godrej Waterside, Unit No 603 & 604, 6th floor, Tower I, Plot No 5, Block DP, Sector V, Salt Lake, Kolkata 700091 (Firm's Registration no. 101248W/W-100022) be and are hereby appointed Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the twenty-sixth Annual General Meeting of the Company at a remuneration and on terms plus out-of-pocket expenses as may be determined by the Board of Directors of the Company and the said appointment be placed for ratification by the Members at the twenty-fifth Annual General Meeting of the Company.”

The Chairman then declared the following results :

Total number of valid votes cast	:	15728452 shares
Total number of invalid votes cast	:	Nil
Voted in favour	:	15728452 shares
Voted against	:	Nil
Result of the E-Voting	:	Votes in favour are 100 % of the total valid votes cast. Resolution is approved unanimously

ITEM OF SPECIAL BUSINESS

The Ordinary Resolution Number 6 of the Notice dated February 24, 2015 convening the Annual General Meeting was read out by the Chairman as follows :

“**RESOLVED** that pursuant to the provisions of section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules thereunder, Mr Biswadip Gupta, Director of the Company, be and is hereby appointed as an Independent Director, not liable to retire by rotation, to hold office for a term of upto five consecutive years with effect from May 7, 2015.”

The Chairman then declared the following results :

Total number of valid votes cast	:	15719786 shares
Total number of invalid votes cast	:	Nil
Voted in favour	:	15719786 shares
Voted against	:	Nil
Result of the E-Voting	:	Votes cast in favour are 100 % of the total valid votes cast. Resolution is approved unanimously

8. MEMBERS DISCUSSION

The Chairman then mentioned to the Members that they may seek clarifications on the Directors Report, Annual Financial Statements and on any of the resolutions.

Messrs B N Kundu, Arup Das, Goutam Nandy, K I. Mallik, S I. Rathi, Tarak Nath Chakraborty, K G Lakshminarayanan, Krishnendu Das, A K Pal, S K Sukhani, Amit Kumar Banerjee and Marik Ratan Chakraborty in that order, asked questions, sought clarifications and made observations and gave suggestions on various aspects of the Company's operations and matters related to the Directors Report and Annual Financial Statements for the year ended December 31, 2014. The relevant and material points were as follows :

1. Welcomed Miss Nayantara Palchoudhuri and Mr Subrata Roy as Directors of the Company;
2. Thanked for the highest dividend given for the year ended December 31, 2014;
3. Requested that a bonus issue or higher dividend be given next year on the occasion of the Company's 25th Annual General Meeting;
4. Explain the reason for following expenses which had increased during the year power & fuel, foreign exchange losses, advertisement and sales promotion, freight, etc.
5. Following Balance Sheet items had also increased --Inventories, Debtors and Capital WIP;
6. What new technology was being received by the Company;
7. Contingent liability for disputed taxes had increased and what action the Company was taking to settle these tax demands;
8. CSR activities should be encouraged and increased and to report on the nature of the expenses incurred;
9. Insurance claim status for the damage caused by HudHud cyclone at Visakhapatnam
10. The percentage increase in remuneration of the Key Managerial Personnel should be higher than the Company's average percentage increase;
11. The current venue of the Annual General Meeting should be retained;
12. To interact with analysts and major shareholders to give them a better understanding of the Company's performances;
13. Appreciated the safety norms and cleanliness which the Company's factory follows which they had observed when they visited the factory on the occasion of the Extra-Ordinary General Meeting held on March 27, 2015.
14. Appreciated that the Registrars and Secretarial Department have maintained cordial relations with shareholders and have given excellent service and also that they received their Annual Reports in time.

After the Members had spoken, the Chairman thanked the Members for taking such active interest in the affairs of the Company and answered the questions raised by the Members and provided clarifications as required. More particularly he stated that the Management at present did not have any plans for bonus issue and plans for the 25th Annual General Meeting will be made later. He mentioned that the Company sold refractories during both the good and bad phases of the steel industry and therefore there was no indent in revenues, that Government's intention was to reach 300 million tonnes of steel production by year 2025 from the present about 86 million tonnes which gave enough opportunities for the refractory industry to expect better times ahead. Cash had to be judiciously managed as the Company needed to invest in projects and seize opportunities to remain a leader in the refractory market and hence there was a high Capital WIP. He mentioned that disputed taxes included demands made due to early assessments but the collections of tax credit forms like "C" Form from customers were being delayed and hence the appearance of a higher contingent liability. The insurance survey was not

yet completed and hence the final outgo was not yet measurable although an adhoc claim amount had been received from the insurance company. On CSR he mentioned that the Company was already spending on CSR activities and would report on its activities in the next year.

9. CLOSURE OF THE MEETING

Since the business of the Meeting was over, the Chairman declared the Meeting closed.

10. VOTE OF THANKS

Members gave a vote of thanks to the Chair which was carried with acclamation.



CHAIRMAN

Date: 18th May 2015