

ANNEXURE IX :**BUSINESS RESPONSIBILITY REPORT - 2017**

This Business Responsibility Report relating to the year ended on December 31, 2017 has been issued in compliance with the requirements of Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms a part of the Report of the Directors to the Members of the Company.

SECTION A : GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	: L26933WB1991PLC052968
2. Name of the Company	: Vesuvius India Limited
3. Registered Office Address	: P-104 Taratala Road, Kolkata 700088 West Bengal, INDIA
4. Website	
(a) The Vesuvius Group	: www.vesuvius.com
(b) Vesuvius India Limited	: www.vesuviusindia.com
5. Email ID	: vesuviusindia@vesuvius.com
6. Financial Year reported	: December 31, 2017
7. Sectors that the Company is engaged in (Industry activity code-wise)	: Refractory products
8. List three key products / services that the Company manufactures / provides (as in Balance Sheet)	: Refractories consisting mainly of : (a) Shaped Refractories like shrouds, stoppers, pre-cast products, nozzles, crucibles (b) Unshaped Refractories like castables, taphole clay Repairs and maintenance services
9. Total number of locations where business activity is undertaken by the Company	
(a) Number of International locations	: NIL
(b) Number of National locations	: Four factories of which one in Kolkata, two in Visakhapatnam and one in Mehsana
10. Markets served by the Company - Local / State / National / International	: The Company supplies refractories and also provides maintenance services at the factories of major steel plants in India. Exports of products are made to USA, UK, Brazil, UAE, South Africa, Russia, China, Europe and South East Asia.

SECTION B : FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital	: Rs 20,29,60,800
2. Total Turnover	: Rs 96,274 lakhs
3. Total Profit after tax	: Rs 9,445 lakhs
4. Total Spending on Corporate Social Responsibility as a percentage of profit after Tax	: 0.27%
5. List of activities in which expenditure in (4) above has been incurred :	
(a) Education by contributing to Indian Institute of Cerebral Palsy	
(b) Education by contributing to Ramkrishna Mission Shilpapitha	
(c) Healthcare by contributing to ANANDAM	

SECTION C : OTHER DETAILS

1. Does the Company have any subsidiary company?	: No
2. Do the subsidiary companies participate in the Business Responsibility initiatives?	: Not Applicable
3. Do any other entities that the Company does business with, participate in the Business Responsibility initiatives of the Company?	: No

CERTIFIED TRUE COPY
For VESUVIUS INDIA LTD.


(Taposh Roy)
Company Secretary

ANNEXURE IX : BUSINESS RESPONSIBILITY REPORT - 2017 (Contd.)

SECTION D : BUSINESS RESPONSIBILITY ("BR") INFORMATION

1. Details of the Director responsible for BR	: Mr Subrata Roy, Managing Director DIN No: 07046994 Email ID: vesuviusindia@vesuvius.com Phone : +91 33 30410600
2. Principle-wise (as per NVGs) BR Policy	
(a) Details of Compliances	: The Company does not have in place a Business Responsibility Policy as yet.
(b) Explain why there is no Policy	: Vesuvius plc, our ultimate holding company, has a Responsibility Reporting in their Annual Report which requires all companies including Vesuvius India to follow their guidelines for a comprehensive Business Responsibility compliance. Since the Business Responsibility Reporting Policy is not mandatory, the Company has not formulated a separate policy as yet, but follows the guidelines of the ultimate holding company.
3. Governance related to BR	
(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess BR performance of the Company	: At each quarterly Board meetings, the Managing Director's presentation includes business responsibility reporting
(b) Does the company publish a BR or Sustainability Report ?	: Vesuvius plc, our ultimate holding Company, in their Annual Report has a separate section on Business Responsibility

SECTION E : PRINCIPLE-WISE PERFORMANCE

Principle 1 : Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The Company's Policies on ethics, code of conduct, anti - bribery & corruption etc applies to the Company, its Directors and employees and also to all vendors, consultants and contractual personnel who represent or work on behalf of the Company.
2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	No complaints were received during the year

Principle 2 : Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities (a), (b), (c)	a) Improved efficiency while reducing refractory consumption per ton of steel b) Technology and improved manufacturing processes ensuring reduced energy consumption c) Reducing carbon dioxide emissions by steel plants
2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):	
(a) Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?	Continuous energy conserving programs through upgradation of capacitor banks, increased loading per cycle etc have improved power factor, reduced gas consumption, improved specific gas consumption, increased load per cycle etc. Reduced electricity consumption by 25000 Kwh by replacing CFL with LED lighting
(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?	

**CERTIFIED TRUE COPY
For VESUVIUS INDIA LTD.**


(Taposh Roy)
Company Secretary

3. Does the company have procedures in place for sustainable sourcing (including transportation)?	There are long term sustainable contracts with large vendors for material supply. The MSME vendors, who are mostly local parties, are provided with technical and commercial support to continue timely and sustainable supplies
(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	All inputs have sustainable contracts, agreements or arrangements in place
4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?	Yes
(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	In-time supply ensured that material at vendor's and our shop floor is minimal, thereby reducing their working capital requirements. Technical and commercial support and training is provided to enable small vendors to supply high quality products in time and follow safety, environment and technical standards. Support for acquiring costly machinery are made with assured and sustainable orders on these small vendors
5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.	Wood and metal products are recycled. Scrapped, broken or partly used refractory products are also recycled to the extent permitted by Quality Control team. Water is recycled for non-drinking use

Principle 3 : Businesses should promote the wellbeing of all employees

1. Please indicate the Total number of employees.	450
2. Please indicate the Total number of employees hired on temporary/ contractual/ casual basis	1515
3. Please indicate the Number of permanent women employees.	7
4. Please indicate the Number of permanent employees with disabilities.	Nil
5. Do you have an employee association that is recognized by management.	Yes
6. What percentage of your permanent employees is members of this recognized employee association?	1% as on 31.12.2017
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	The Company does not have any child labour, forced labour or involuntary labour. The Company has in place a Prevention of Sexual Harassment Policy and a Committee to oversee this Policy. No complaints were received during the year.

No.	Category	No of complaints filed during the financial year	No of complaints pending as on the end of the financial year
1	Child labour/ forced labour/ involuntary labour	Not Applicable No such labour	
2	Sexual harassment	NIL	NIL
3.	Discriminatory employment	Not Applicable Employment Policy prevents any discrimination	

CERTIFIED TRUE COPY
For VESUVIUS INDIA LTD.



(Taposh Roy)
Company Secretary

ANNEXURE IX :

BUSINESS RESPONSIBILITY REPORT - 2017 (Contd.)

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? (a) Permanent Employees (b) Permanent Women Employees (c) Casual/ Temporary/Contractual Employees (d) Employees with Disabilities	All employees have to undergo training on Safety, Ethics, Code of Conduct and Anti-Bribery & Anti - Corruption. Technicians and personnel engaged in Marketing & Technology, New Product Development and water modelling are given training in India and abroad for skill upgradation
Principle 4 : Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised	
1. Has the company mapped its internal and external stakeholders? Yes/No	Yes
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.	There are none
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	There is a constant engagement, audit and physical verifications of documents and compliances of all vendors and other stakeholders to ensure that they have a sustainable business, generate sufficient profits, provide appropriate remuneration and social security benefits to their employees, comply with all laws, safety, environment and ethical processes and supply products consistent with Vesuvius quality and specifications.
Principle 5 : Businesses should respect and promote human rights	
1. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/Others?	The Remuneration Policy ensures that human rights are respected and adhered to by all stakeholders
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?	No complaints received during the year
Principle 6 : Businesses should respect, protect and make efforts to restore the environment	
1. Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/NGOs/others.	This covers all companies within the Vesuvius Group as well as large and small vendors, customers and transporters
2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	Vesuvius plc, the ultimate holding company, has strategies in place for all companies in the Group including Vesuvius India Ltd
3. Does the company identify and assess potential environmental risks? Y/N	Yes. Risks include loss of major of unit due to acts of God, Government action and pollution concerns
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report if filed?	Air and water effluent are treated before discharge for which special plants have been installed at the factories. Water is recycled for non-drinking purposes.
5. Has the company undertaken any other initiative on clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	Yes, there are constant improvements to reduce specific energy consumption, use of low cost fuel, reduced emissions, etc.
6. Are the Emissions/ Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes, we have special treatment plants in our factories

**CERTIFIED TRUE COPY
For VESUVIUS INDIA LTD.**



**(Taposh Roy)
Company Secretary**

- | | |
|--|-----|
| 7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year | Nil |
|--|-----|

Principle 7 : Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

- | | |
|--|---|
| 1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with: | Yes, Indian Refractory Makers Association; The Bengal Chamber of Commerce & Industry; Confederation of Indian Industry (CII); Gujarat Chamber of Commerce and Chemical & Allied Export Promotion Council of India (CAPEXIL) |
| 2. Have you advocated/ lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic, Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) | Yes. Representations are made to local bodies and State Government for improvement in local infrastructure, support to local schools through CSR initiatives, awareness of refractory products; its innovations new methods/systems through seminars. Representations are made to Central Government through Chambers of Commerce for updations and amendments in laws and processes for ease of business |

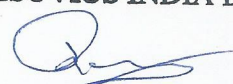
Principle 8 : Businesses should support inclusive growth and equitable development

- | | |
|--|---|
| 1. Does the company have specified programmes/ initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof. | The Company has a CSR Policy. The Company engages local units for its MSME supplies |
| 2. Are the programmes/ projects undertaken through in-house team/ own foundation/ external NGO/ government structures/ any other organization? | So far through contributions to institutions, NGOs and Chambers of Commerce |
| 3. Have you done any impact assessment of your initiative? | No |
| 4. What is your company's direct contribution to community development projects – Amount in INR and the details of the projects undertaken. | Rs 24,00,000 on education and Rs 2,00,000 on healthcare made under the CSR Policy. |
| 5. Have you taken steps to ensure that this community development initiative is success fully adopted by the community? Please explain in 50 words, or so. | Programs are done directly by employees of the Company or jointly with Institutions, NGOs, Chambers of Commerce and other self- help groups |

Principle 9 : Businesses should engage with and provide value to their customers and consumers in a responsible manner

- | | |
|--|--|
| 1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year. | Nil complaints/consumer cases |
| 2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information) | Technical literature and specification are submitted to our customers who are made aware of our products and its use and disposal process, since our products require higher technology and operate in very high temperatures |
| 3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so. | No |
| 4. Did your company carry out any consumer survey/ consumer satisfaction trends? | Company regularly engages with customers to give them a better understanding of our products and capabilities and to improve upon them. Seminars and meetings are also held with customers to inform them of new technology, new processes, scope for improvements at steel plants etc |

**CERTIFIED TRUE COPY
For VESUVIUS INDIA LTD.**



**(Taposh Roy)
Company Secretary**