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A tie-up
that's exactly
our chemistry

42nd
Annual Report
and Accounts
1998 - 1999

CONTENTS

EXACTLY OUR CHEMISTRY	2
NOTICE	12
DIRECTORS' REPORT TO THE MEMBERS	19
ANNEXURES TO THE DIRECTORS' REPORT	23
THE CHAIRMAN'S STATEMENT	25
FINANCIAL PERFORMANCE - 10 YEAR'S HIGHLIGHTS	27
DISTRIBUTION OF INCOME 1998-99	28
AUDITORS' REPORT TO THE MEMBERS	29
BALANCE SHEET	32
PROFIT AND LOSS ACCOUNT	33
SCHEDULES TO BALANCE SHEET	34
SCHEDULES TO PROFIT AND LOSS ACCOUNT	40
NOTES	42
CASH-FLOW STATEMENT	49
STATEMENT RELATING TO THE SUBSIDIARY COMPANIES	50
DIRECTORS' REPORT AND ACCOUNTS OF VANAVIL DYES AND CHEMICALS LIMITED	51
DIRECTORS' REPORT AND ACCOUNTS OF KUNDALIKA INVESTMENTS LIMITED	74



DIRECTORS

DR R HANDTE (CHAIRMAN)
MR R A SHAH
MR K R V SUBRAHMANIAN
MR H K BILPODIWALA
MR J MAHLER
MR K J BHARUCHA
(VICE-CHAIRMAN & MANAGING DIRECTOR)
DR R SERGIO
DR U KUERSCHNER
MR P R RASTOGI

MR V RAMANUJAM
(GENERAL MANAGER - LEGAL & COMPANY SECRETARY)

EXECUTIVE COMMITTEE

MR K J BHARUCHA
DR R SERGIO
DR U KUERSCHNER
DR G G PATKAR
MR M THOMAS
MR S C SACHDEV
DR K D BAUMGART
MR P V KALAWAR
MR C N BHARUCHA

AUDITORS

A F FERGUSON & CO
CHARTERED ACCOUNTANTS

SOLICITORS

CRAWFORD BAYLEY & CO

BANKERS

STATE BANK OF INDIA
BANK OF AMERICA N.T. & S.A.
CITIBANK N.A.
DEUTSCHE BANK
THE HONGKONG & SHANGHAI BANKING CORPN LTD
HDFC BANK LTD

REGISTERED OFFICE

RAVINDRA ANNEXE
194, CHURCHGATE RECLAMATION
MUMBAI 400 020

THANE WORKS

MUMBAI-AGRA ROAD
BALKUM VILLAGE
THANE 400 608

ROHA WORKS

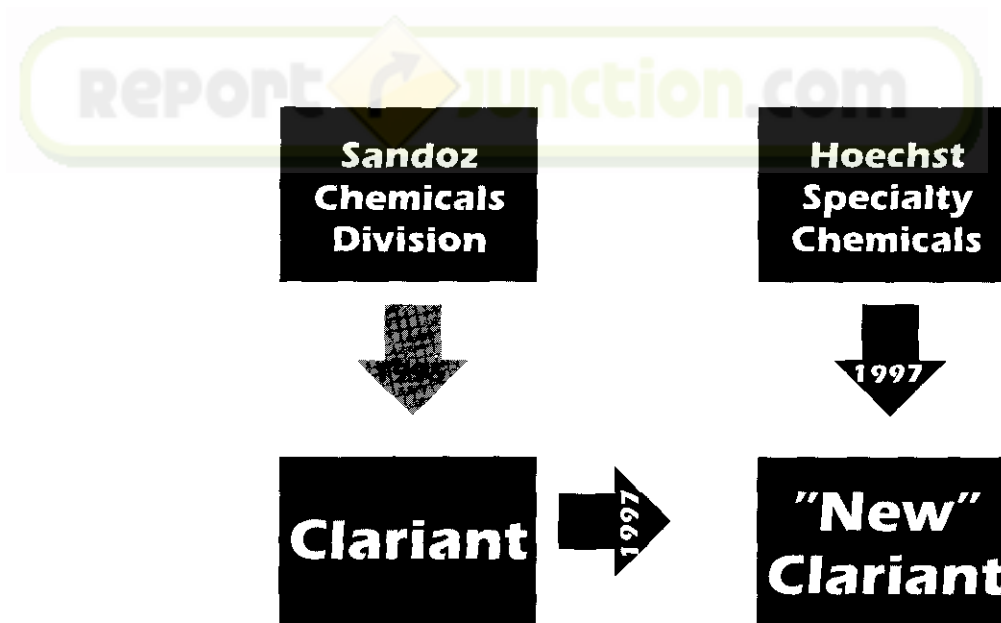
113/114 MIDC INDUSTRIAL ESTATE
A. V. ROHA, DHATAV
DISTRICT RAIGAD 402 116

Linking up with

World's No. 1 ■

Colour-Chem Limited, India's leading specialty chemicals company, is now a part of the Clariant group – the world's No.1 specialty chemicals company, headquartered in Switzerland. The 'new' Clariant was formed out of the spin-off of the Sandoz Chemicals Division in 1995 and the integration of Hoechst's Specialty Chemicals business in 1997.

The Clariant group operates in over 120 countries, with more than 29,000 employees and annual sales of about CHF 9.5 billion.



The global tie-up helps Colour-Chem add even greater value to its products and performance for the benefit of its customers, employees and shareholders.

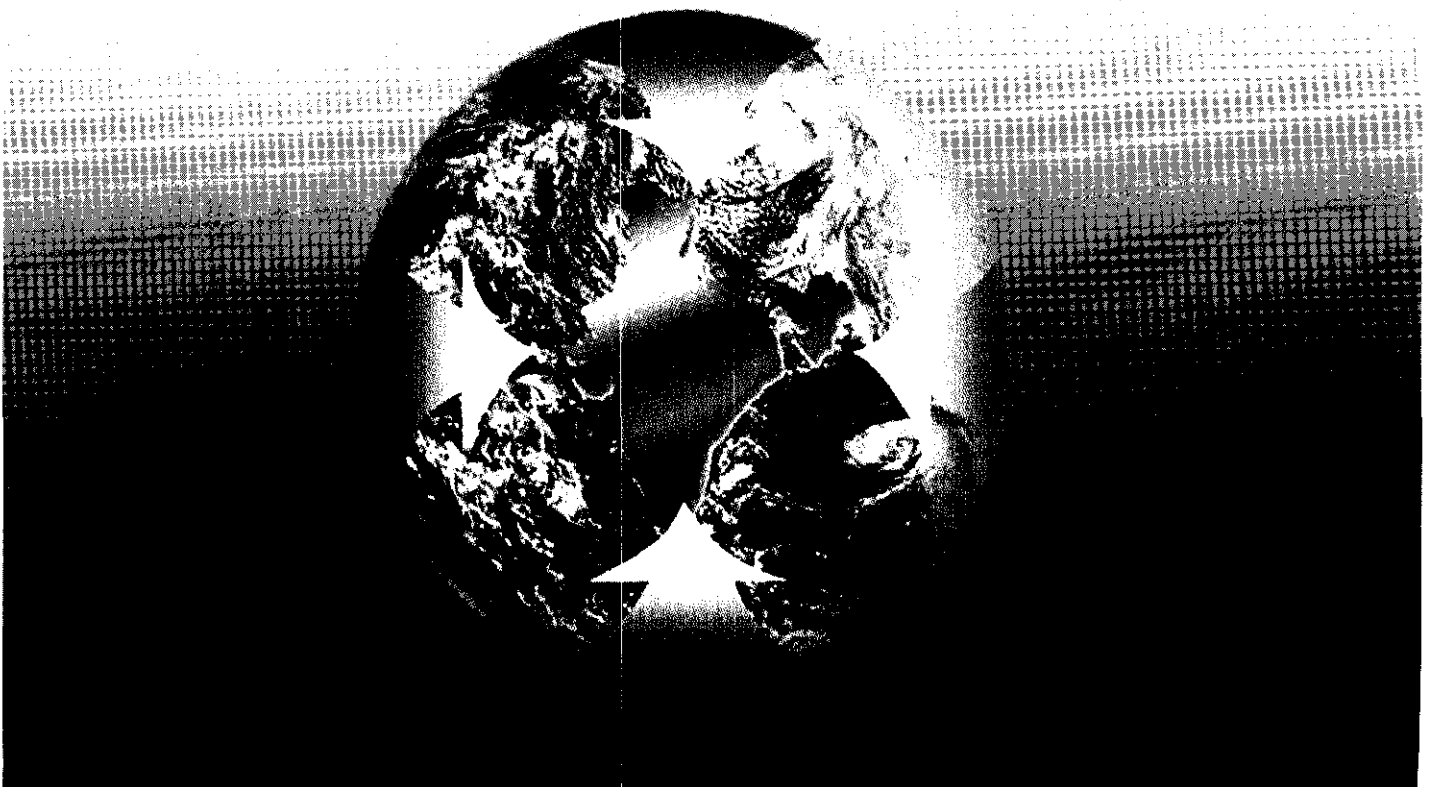


Harnessing Global Expertise for Local needs

The combined core competence of Clariant and Hoechst along with committed employees, tried and tested products and world-class service, creates synergies that benefit customers the world over.

Colour-Chem has access to this rich resource of combined know-how, accumulated over 135 years in chemicals, processes and technologies. It draws on this wellspring of knowledge and tailors it to the needs of specific local markets. Ongoing global exchange of information, co-operative research and development and sharing of application know-how within the Clariant group is creating an international knowledge network that gives Colour-Chem an unmatched lead in India.

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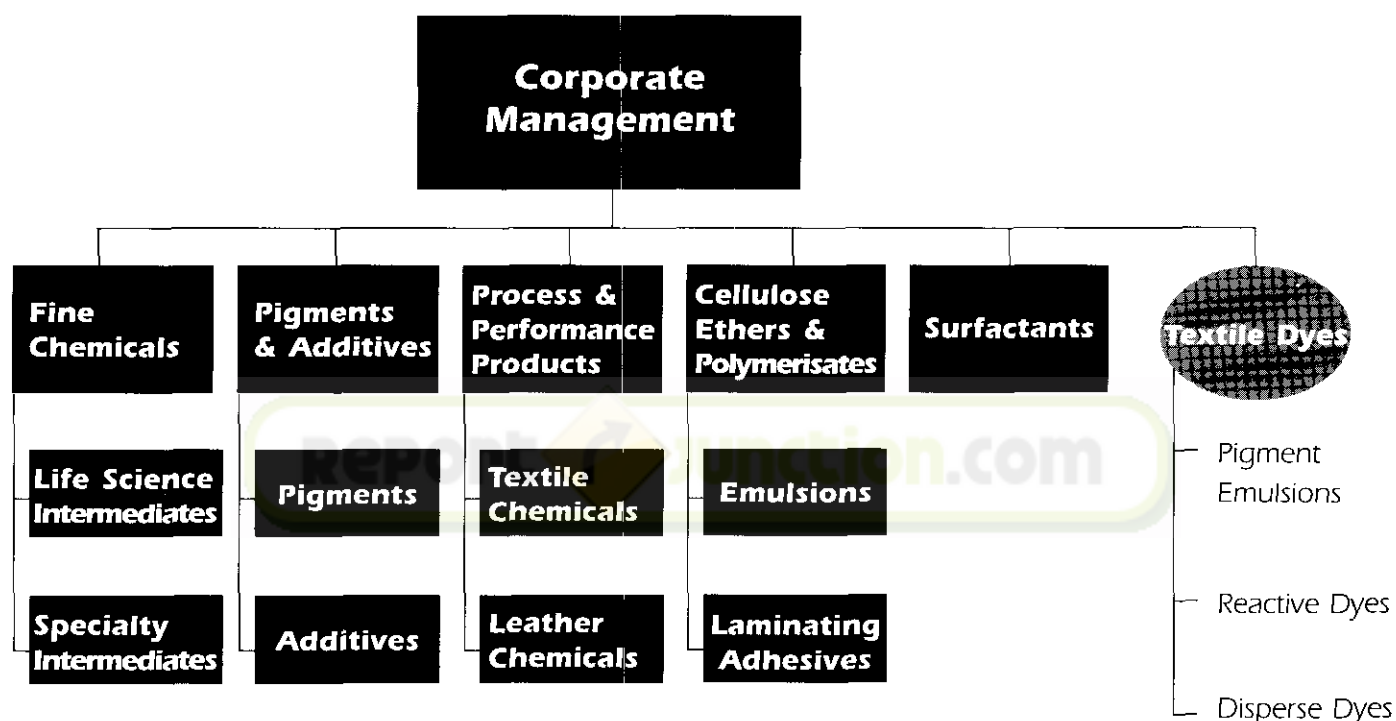
Assuming a new Corporate Identity

Colour-Chem has assumed the Clariant group identity, logo and design in all its communications and advertising media.

Competition in the Indian chemical industry in India today is clearly global. Colour-Chem's association with the Clariant global corporate brand provides it a vital competitive edge and enables it to leverage its local strengths.




Structured for a Perfect Fit



 Divisions

 Business Units

 Textile Dyes is a separate Business Unit governed by the Toll Manufacturing Agreement between the company and DyStar India Limited which came into effect from 1 September 1997.

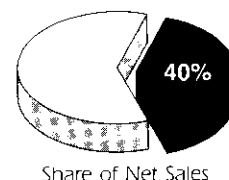
Adding Value for Customers

Fine Chemicals

Sales (1998-99): Rs. 1113 mio.

Key Products :

- * Acetoacetmonomethylamide
- * Acetoacetdiethylamide
- * N-Isopropylparachloroaniline
- * Acetoacetmethylester
- * Acetoacetarylides
- * 3,3' Dichlorobenzidine Sulphate

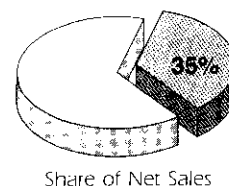


Pigments & Additives

Sales (1998-99): Rs. 1010 mio.

Key Products :

- * Hansa, Permanent, Novoperm and Hostaperm Pigment ranges (for paints and printing inks industries)
- * Permanent, Novoperm, Hostaperm and PV Fast Pigment ranges (for plastics and rubber industries).
- * Vernafils (dope dyes for viscose rayon industry)



Process & Performance Products

Sales (1998-99): Rs. 562 mio.



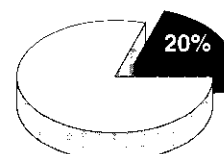
Key Products :

Textile Chemicals

Bleaching, Scouring, Dyeing auxiliaries,
Printing auxiliaries, Finishing products.

Leather

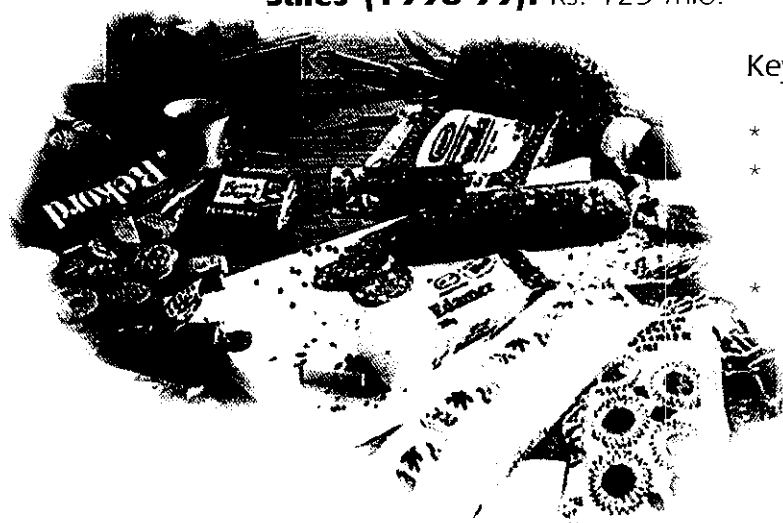
Tanning, Retanning agents, Fat liquors,
Binders, Finishing products



Share of Net Sales

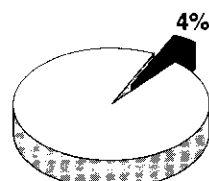
Cellulose Ethers & Polymerisates

Sales (1998-99): Rs. 125 mio.



Key Products :

- * Laminating Adhesives
- * Polymer Dispersions and Cellulose Ethers for paints, adhesives and construction industries.
- * MOWICOLL® - Wood adhesive.



Share of Net Sales

Indian Products

gain Global Reach ■

Colour-Chem's exports benefit from the global marketing reach of the Clariant group. Since the bulk of Colour-Chem's exports - both manufactured and merchant - go to Clariant associate companies world-wide, this reach is also highly cost effective and make its exports a profitable business.

Colour-Chem's main export products are phthalocyanine pigment green and several azo pigments. Export of leather chemicals, begun in a modest way a few years ago, is now showing good promise.

The company enjoys Trading House status and the accompanying benefits offered under the Exim Policy of the Government of India.

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