



Clariant

Exactly
your
chemistry

Clariant (India) Limited

ANNUAL REPORT 1998-99



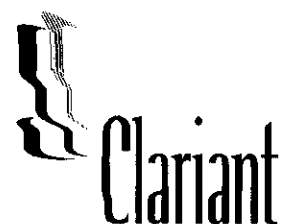
CULTURAL BOND

CULTURAL BONDS ARE ARGUABLY THE STRONGEST EMOTIONAL BONDS. ITS POWER TO MOVE AND TOUCH ONESELF, CAN'T BE UNDERMINED. AND THERE'S NO DENYING THE QUALITY, POWER AND REACH OF CLARIANT (INDIA) LTD'S TOUCH EITHER. BECAUSE, AT CLARIANT (INDIA) LTD WE STRIVE TO PROVIDE SOLUTIONS TO ALL PROCESSING NEEDS OF OUR CUSTOMERS. ENHANCING THE QUALITY OF THEIR LIFE BY INCREASING THE VALUE OF THE PRODUCTS THAT TOUCH AND SURROUND THEM IN THEIR EVERYDAY LIFE. THROUGH TECHNOLOGICAL ADVANCEMENTS AND INNOVATIONS THAT ARE ENVIRONMENT FRIENDLY. INCIDENTALLY CLARIANT (INDIA) LTD. IS AN INTEGRAL PART OF INDIA'S CULTURAL MOSAIC TOO.

CLARIANT PRODUCTS ARE OMNIPRESENT IN EVERY INDIAN'S DAILY EXISTENCE INCLUDING TOUCHING CULTURAL ACTIVITIES WHICH IN TURN TOUCH US.

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Board of Directors

V.N. Nadkarni	Chairman
P.R. Rastogi	Managing Director
P. Brandenburg	
Dr. R. Handte	
R. Lösner	
J. Mahler	
R.A. Shah	Alternate to R. Lösner
Dr. M.L. Gulrajani	
K.J. Bharucha	

Executive Committee

B.L. Gaggar	Vice President (Finance & Admn.) & Company Secretary
R.Y. Mani	Vice President (Site Management)
D.K. Mittal	Vice President (Corporate HRD)
R.K. Mukherjee	Vice President (Business Division - Masterbatch)
S. Singh	Vice President (Sourcing & Exports)

Solicitors

Messrs. Crawford Bayley & Co.

Auditors

Messrs. A.F. Ferguson & Co.

Bankers

Standard Chartered Bank
Citi Bank N.A.
Banque Nationale de Paris
State Bank of India
Union Bank of India

Share Transfer Agents

IIT Corporate Services Limited
IIT House, Off M. Vasanji Road

World-wide. The company also holds a proud premier position in textile chemicals and leather dyes. The company has emerged as a reliable supplier to the high end segment of textiles, leather, paper, plastics and fibres.

Clariant (India) Limited is a company committed to satisfaction.

Of the customers - with quality products and services. **Of the employees** - with stimulating and challenging work environment.

And **of the shareholders** - with high returns on their investments.

Our investments in technology, human resources and our commitment to "do it better, faster and efficiently" has enabled us to seize opportunities as quickly as they are identified. Besides, we have always strived to set new standards in all our operations.

Clariant (India) Limited has sustained its strong position in the market despite the conditions being challenging last year. And this we owe to our firm foundation and belief in the following:

* **Customisation** - to offer products and services that are as individual as the customers' requirements and to be a solution provider in terms of products, services and processes.

*Clariant (India) Limited - a part of
India's cultural mosaic. Clariant,
truly touching and enhancing the
quality of every Indian's life.*

* **Innovation** - to design, manufacture and market new products that satisfy the ever-changing demands.

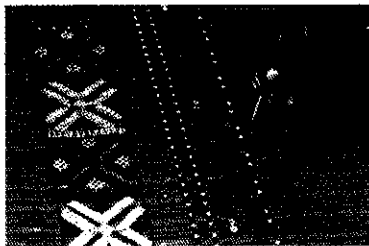
* **People** - to build strong commitment within the company across functions and to encourage effective utilisation of their creative potential and to enrich every individual and seek their involvement in the business processes.

* **Environment**- to safeguard the health and safety of the people and to design and manufacture products and processes which are eco-friendly.

Thus with the synergies of these finer points of success, Clariant (India) Limited is all set to take on the challenges of the new millennium and translate all opportunities into business.

Exactly your chemistry

Customisation



Clariant (India) Limited - a company that is customer-driven. By customising its products to specific and sometimes unique requirements, the company has today emerged into a key supplier for Speciality Chemicals. And by harnessing

new technologies and international know-how we deliver optimum value and solutions.

Speciality Chemicals is a challenging field. Each customer has his own list of parameters to work within. To meet these challenges, a company has to be alert,

responsive and efficient. Our Company with its esteemed clientele has proven

that it has all these three attributes. With in-house expertise and the

group's support, the company is capable of delivering a product range

that can adapt to the specifications required by the most demanding

customers. Clariant (India) Limited has well integrated management

systems for over 2000 customers. These customers are regularly visited by our

executives in order to understand their problems and provide solutions in partnership with them.



The Clariant executive conducting trials at the customers' premises

One of the major yarn dyers in India had a problem of over 50 per cent rejections arising out of uneven dyeing. The reprocessing added to the overall cost, time and effort. Clariant (India) Limited was already studying the problem. Business Unit - Textile Dyes customised the entire pre-treatment cycle, dyeing process and also the finishing process as per the customers' requirement. This resulted in evenness in dyeing and thus saved precious time in the process. Today the customer no doubt, is happy and a satisfied partner.

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A manufacturer of environment friendly cement-bags used to mix three dyestuffs to get one specific colour. This not only meant a high inventory cost but also inconsistent shades of the same colour for him. With a single dye offered by Business Unit - Paper, all these problems were taken care of and a long term customer loyalty was

***Clariant (India) Limited - where
customisation enacts a
vital role in our drive
towards customer delight.***

won in the
process.



A textile manufacturer was facing a major problem of patchy dyeing in the Cold Pad Batch off-axis-linen (very tough cellulose fibres). He had tried most of the products available in the market but the problem still persisted affecting his supply to the exporters. Business Unit - Textile Dyes was quick to respond to this situation with the right solution. Extensive trials at the customers' premises were carried out with **Drimarene CL**

dyes giving him result to his delight. But this did not stop here. A technical session was held by Clariant (India) Limited to impart technical know-how to the customers' workforce. Clariant (India) Limited thus converted a prospect into a loyal client.

The Masterbatch Division too had its share to offer towards customisation. Earlier, Polycarbonate (PC) Polymers were normally used pre-coloured leading to higher inventory costs and less flexibility of colours for the customers. Clariant (India) Limited jumped at the opportunity and provided masterbatches for PC for a major customer manufacturing coloured fashionable opticals. The customer now not only saves on inventory but also has lots of colour options.

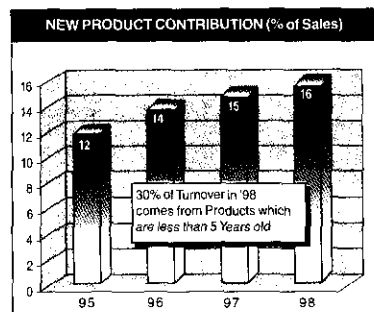
The Business Unit-Sourcing and Exports is an extended arm of the Corporate Sourcing and Purchasing department in Switzerland. This year the Business Unit developed and implemented the usage of a customised eco-friendly packaging for the export business. Certain specific leather dyes and Speciality Chemicals for the manufacture of textile dyes were also customised during the year resulting in customer delight.

At Clariant (India) Limited the customer is the focal point of all developments. Whatever the demand, Clariant (India) Limited mobilizes all its resources, to deliver solutions to customers' problems.



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Innovation



Clariant (India) Limited - a company that thinks. About satisfying the needs of both the internal and external customers. A company that is innovative in all that it does with the focal point being customer delight.

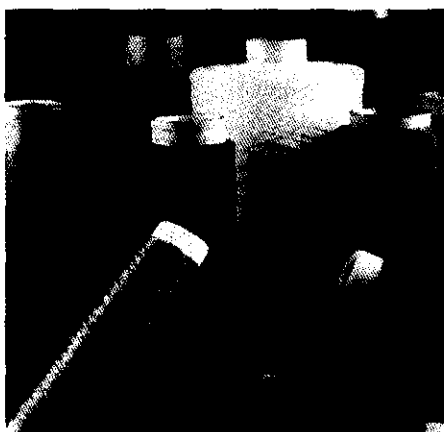
Innovation has always commanded an important place at Clariant (India) Limited. Ever on its toes to cater to the most demanding specifications, Clariant has provided and sometimes pioneered technologies still new to the Indian scenario. The contribution of new products to the annual turnover has become a consistent feature of our performance. Infact 30 per cent of this year's turnover has come from new products which were innovated less than five years ago.

At Clariant (India) Limited the focus on customer orientation and innovation is an intrinsic

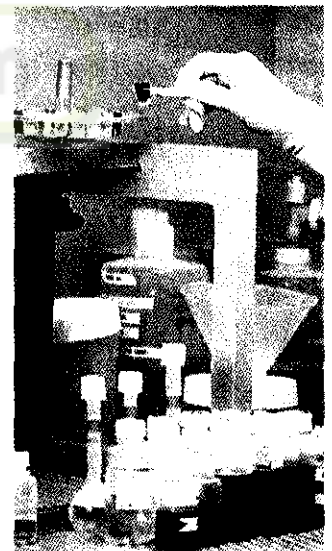
part of us and we believe that its role in our marketplace success is unmistakable.

Here are a few examples of how Clariant (India) Limited has taken up the challenge to innovate products, services and processes:

A textile mill owner in Coimbatore was using only white spindles in his mills. This resulted in a lot of confusion and mix-ups in manufacturing, inventories and deliveries. The dyes used for colouring such plastic spindles required



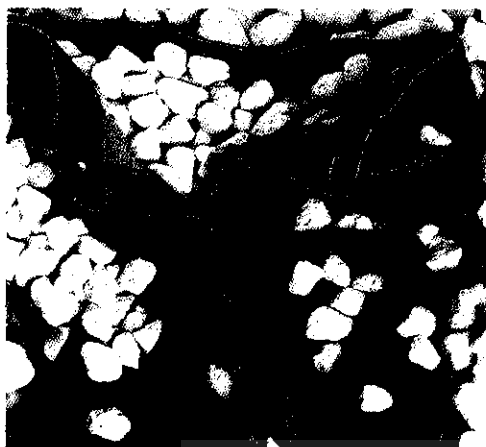
Coloured spindles - Business Unit-Masterbatch



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highly specialized masterbatches. Clariant (India) Limited seized this opportunity and went on to create universal masterbatches for the mill owner. Our company is now one among the very few to have the talent and technology to manufacture such an exclusive product.

***Adding colour to India's cultural fabric.
Clariant (India) Limited - adding value
through innovative products
and processes.***



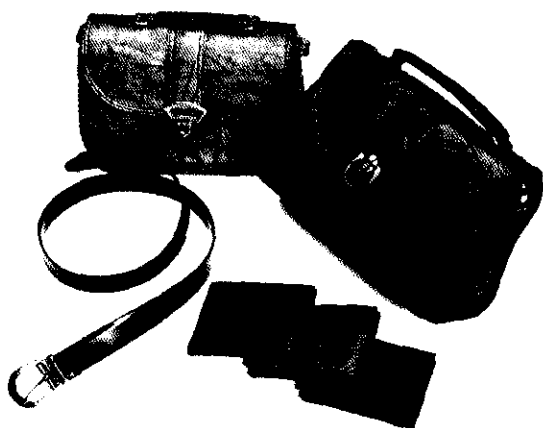
Enzyme treated Denims

When the Clariant team visits a customer, it is more than just a business call. The purpose is to get a better insight into the customers' requirements and problems. Like the time when the Clariant representative on one of his visits found a textile customer facing a problem of

crude polishing with stones and chemicals to remove fibre hair and pill formation. Clariant (India) Limited swung into action providing enzymes for polishing to give specific effect, feel and reduce pill formation. Thus adding value to the end product.



Here's another instance: Leather Chrome Shavings are one of the major wastes in the leather industry. Clariant (India) Limited came up with an innovative solution of using Leather Chrome Shavings as raw materials in one of our major products used as a retanning agent thus converting wastes into an opportunity.

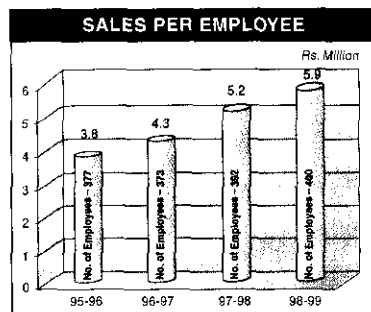


Leather Chrome Shavings converted into an opportunity

Thus we know the importance of being innovative. The urge to innovate and better our processes fuels the passion for excellence in all that we do. We pride ourselves in being proactive at all times and anticipating and responding to the changing scenario, promptly and precisely. This has indeed contributed to our competitive edge in the market place.

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People



value to make it more effective and efficient.

Transparency and involvement are the important aspects of the success of Clariant (India) Limited. We firmly believe that when things are made transparent participation, involvement and commitment of the employees is at the highest level.

Quarterly Meets are organised where business performance is reviewed and strategies to reach the Companies' business goals are devised. Individual goals are derived from functional goals which in turn are based on the companies' goals. Setting individual priorities is a regular practice which helps in attaining functional as well as organisational goals.

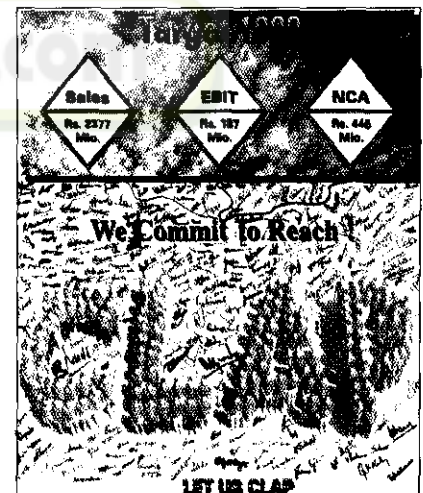
In the area of union affiliated employees, the Company has arrived at a **long term settlement**. An agreement has been signed between Clariant (India) Limited and



Long term settlement being signed

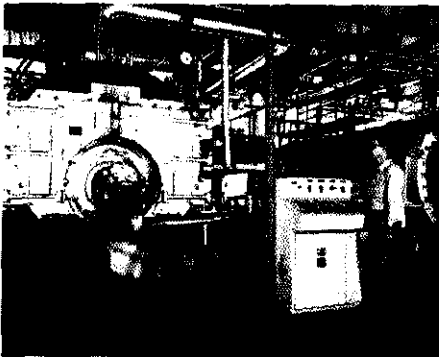
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Clariant (India) Limited - a company where employees take pride in their company. Business for Clariant (India) Limited means optimum satisfaction of every individual connected with the company. Every product, service or communication is given a personal touch thereby adding



the two trade unions setting new standards of cordial relations between the trade unions and the management. The unions showed a distinct spirit of co-operation in appreciating the company's initiative and transparency in working.

Suggestion Scheme is a part of the CLAP programme wherein our employees give suggestions for improving productivity, processes, systems etc. Good suggestions are recognised



Mr. V.G. Parchure (Supervisor-Boiler House)

and rewarded. One such suggestion was given by Mr. V.G. Parchure (Supervisor - Boiler House) wherein his suggestion resulted into savings in the cost of utilities in our company.

Clariant (India) Limited - a force to reckon with in the industry with a cohesive team all set to soar to greater heights

Clariant Utsav - this year the Utsav was unique with the theme being integration of Indian culture and traditional ideology with our



Employees' children rejoicing at the Clariant Utsav

work life. A **Dindi (Palkhi)** procession was held to symbolise our peoples' involvement and commitment towards achieving the companys' goals and objectives. Wide participation by our people in the **Dindi** procession showed their commitment. The Clariant Utsav in a unique way reaffirmed the involvement and commitment of all categories of employees in the companys' business targets.



The CLAP Programme - **CL**ariant **P**articipation to improve **P**rofitability through **P**erformance of **P**eople - has been well applauded internally and externally. As part of the programme and our commitment towards customer satisfaction,



Employee participation in the Dindi procession

visits were organised wherein our people interacted with our customers to better understand their requirements. As a result our people across functions started comprehending the intricacies of demand and competition and also the importance of response time and quality of service.

Thus **CLAP** achieved its goals through continuous direction, total involvement, participation, effective communication and high transparency levels. This has inturn facilitated organisational transformation. Recognition

also came in the form of the "Innovative HR Practice Award" at the Asia Pacific HR Conference.

Clariant (India) Limited is indeed a company that believes in enhancing individual abilities of its workforce - the real force behind the success of the company.



Innovative HR Practice Award

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