



Clariant (India) Limited

ANNUAL REPORT 2001-2002

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All Around You

KEY RATIOS

	Rs. in Crores		
	2001-02	2000-01	Variance %
Sales Growth	300.6	280.2	7.3
Operating Profit	33.6	28.5	17.9
(Operating Profit = Profit before Depreciation, Interest & Tax)			
Profit after Tax	20.1	16.3	23.3

CLARIANT (INDIA) LIMITED

BOARD OF DIRECTORS

V. N. Nadkarni *Chairman*
P. R. Rastogi *Managing Director*
Dr. F. R. Dennefeld
F. Note
P. Lindner
R. A. Shah *Alternate to F. Note*
Dr. M. L. Gulrajani
K. J. Bharucha

EXECUTIVE COMMITTEE

B. L. Gaggar *Vice President (Fin. & Admn.) & Company Secretary*
R. Y. Mani *Vice President (Site Management)*
D. K. Mittal *Vice President (Corporate HRD)*
S. S. Patil *Vice President (Corporate Affairs)*
S. Sinh *Vice President (Sourcing and Exports)*
R. V. Tiwari *Vice President (Supply Chain Management)*
A. K. Prasad *Vice President (Textile Chemicals)*

SOLICITORS

Messrs. Crawford Bayley & Co.

AUDITORS

Messrs. A. F. Ferguson & Co.

BANKERS

Standard Chartered Bank
Citibank N. A.
BNP Paribas
State Bank of India
Union Bank of India

SHARE TRANSFER AGENTS

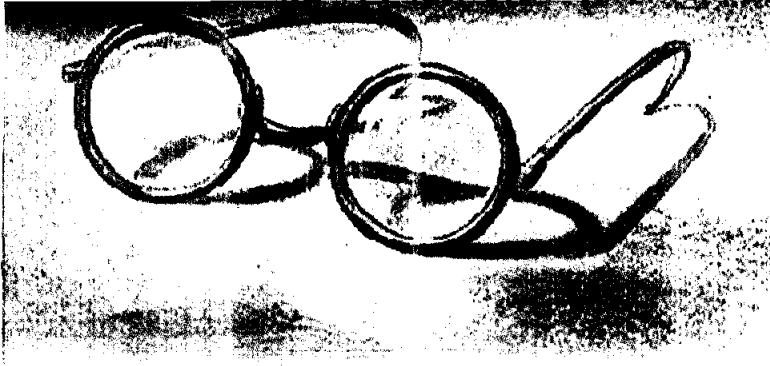
IIT Corporate Services Limited
2nd Floor, Protoprima Chambers,
Suren Road, Andheri (East),
Mumbai – 400 093

REGISTERED OFFICE

Sandoz House
Dr. Annie Besant Road, Worli, Mumbai - 400 018

WORKS

Kolshet Road, Thane - 400 607



The Winning Edge....

Clariant (India) Ltd. gets the inspiration and strives to practice values of customer care. The Company believes that in the customer driven economy; customer centric approach is a requisite for sustained growth and long-term survival. It believes that the growth comes from repeat business, repeat business comes from relationships and relationships with customers are built on trust. It is because of the trust that its customers have put in it, the Company has swiftly emerged whose potential is reflected by its performance and its leadership position in textile chemicals and leather dyes. The Company is practising well co-coordinated customer interaction process, which is supported by marketing service organisation with a view to focus action on each of the customer care needs.

*A customer
is the most important visitor
on our premises.*

*He is not dependent on us.
We are dependent on him.*

*He is not an interruption
on our work.*

He is the purpose of it.

*He is not an outsider
on our business.*

He is a part of it.

*We are not doing him a favour
by serving him.*

*He is doing us a favour
by giving us an opportunity
to do so.*

- Mahatma Gandhi

Customer Relationship Management (CRM) is a customer-centric strategy that has been increasingly embraced by leading business houses worldwide. Companies are realizing the importance of creating and maintaining the highest levels of customer satisfaction, transforming the contact center and customer database into a source of sustainable competitive advantage. Clariant (India) Ltd. has already recognized CRM as a right tool for business decisions and has created databank that supports its business strategy in highly competitive market environment.

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The Company has implemented various systems that help in creating data bank and providing management information for business decisions.

The Research and Development Centre of Clariant (India) Ltd. support the Company's relationship with its customers by understanding their needs and delivering optimum value and right solutions that meet the changing trends and demand of ultimate customers by harnessing new technologies and international know-how. Continuous thrust for development of new/improved products that provide cost effective solution and create value for its customers has resulted into contribution of over 10 percent of its domestic turnover for the year. As a business strategy, the Company ensures that it develops innovations that enhance customer satisfaction. This has resulted in significant opportunities to grow existing business and expand into new markets.

With a presence of over 5 decades in domestic markets and intrinsic strength of its parent company, Clariant (India) Ltd. has built a bank of knowledge and expertise which it shares with its customers by providing "Clariant Colour Cronicle", a quarterly magazine for over 25 years. The magazine carries information that help the customers upgrade their knowledge on new products and technology in the field of textiles, leather, paper and masterbatches.

The Company has taken lead in implementation of in-house developed e-business strategy and established online connection with distributors and major suppliers. This has resulted into effective communication between its business partners and reduction of lead-time in order processing.

The Company believes that continuous development of knowledge, skill and competencies of its people is imperative to build a motivated workforce, which has high trust and high values, to ensure staying ahead of the rest. To be in line with its customer centric approach, the focus has been shifted from training to learning. Executives in service functions are being sent in market place for better understanding of customer needs and learning the business practices with a view to adapt to the customer needs.

That is how in a very difficult market environment the Company has been able to manage its customers. Its financial performance is testimony of its customer centric approach and its growth in business segments in which it operates reveals its strong bond with its customers.

Textiles....

Growth in textile industry to a large extent is influenced by fast changing fashion and trend, value addition by improving the performance of fabric and introduction of innovative concepts that make apparel more appealing. Dyes and Specialty Chemicals play vital role in making the fabric more attractive and performing and thereby creating value for the textiles.

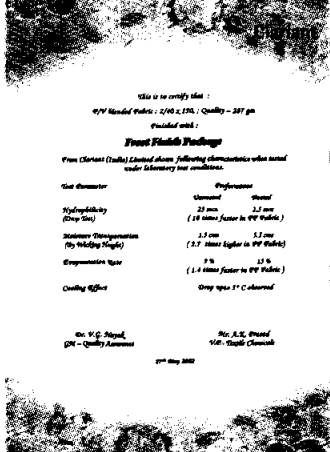
The growth for Clariant (India) Ltd., comes from its passion. It is the ability of managing with customers that drives growth for the Company. In difficult times for textile industry, customer management requires series of actions to improve the relationship and to keep customers stay with Clariant (India) Ltd., as a part of its ongoing strategy to continuously upgrade and introduce innovative products and processes, always keeps in touch with changing fashion and trend. Winning customers in a competitive market environment is possible only through continuous process of confidence building and confidence can be built only when there is proper understanding and share of concern. One of the long associated esteemed customers **Madura Coats Ltd.** expresses its confidence by rating Clariant on top for consistency in quality and reliability of services. Yet another important customer **Mafatlal Burlington Industries Ltd.** expresses that its long association is the certificate of the quality and services provided by Clariant.

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Clariant's textile dyes have been serving the textile industry with high quality and performance in all product categories for over 50 years. Its **Drimarene®** range of dyes for dyeing cotton fabric are popular not only for its beautiful pastel shades but also for consuming less water thereby improving cost efficiency during the dyeing process. **Foron®** dyes for polyester fabrics now being used in Automobile industry have vibrant non-fading colour shades. In pursuit to its commitment to the ecology and environment, the company has introduced eco-friendly solar dyes free from banned and harmful amines and adheres to the international environment norms.

Clariant India's textile chemicals can be called responsible for many of the latest trends that has considerably increased the value of fabric and clothing. Ultra violet free, flame retardant, free, flame retardant and antimicrobial are just few properties that have been successfully introduced in the market by Clariant. Its **Rayosans®** protects skin from Ultra Violet rays and **Sanzed®** range of chemicals provide anti microbial protection to the fabric next to the skin like undergarments and other wearables. Fabrics prone to bacterial attack such as mattresses, carpets, furniture and upholstery. **Novolac®** range of products and repellent finishes impart durability to upholstery used in vehicles. The first of its kind 100% active silicone emulsion gives the softness and the bouncy feeling in bath towels. Recent introduction of **Free Finish®** specialty chemical makes the person feel cooler. Sustained market leadership of Clariant India Ltd. in textile chemicals is testimony of its strength in providing innovative products and thereby enhancing its market share. **Arvind Mills Ltd.**, among the top 10 customers, feels highly satisfied with wide range of products for textile wet processing that are made available by Clariant to meet market requirements of international customers. **Arvind Mills Ltd.** states that **Clariant's technical department has been providing us all necessary support in dyeing wool and wool polyester blends and we would like to thank you in particular for engineering and support of your overseas technical experts, who have really helped us in standardizing the process.**

Introduction of innovative products and processes is not complete by itself unless this meets the requirements of the customers. Clariant (India) Ltd. always considers that providing solution to its customers is prime need to win the heart and keep relationship at high esteem. Its technically qualified team of supporting executives remains always in touch with its customers. **The Key Accounts Management System (KAMS)** thrusts the responsibility upon the executives to take guardianship of all-important customers. Its highly equipped technical support labs conduct trials and help its executives to deliver the products, which meets the requirements. The company has developed electronic module



Data to be verified:		
40% Wettable fabric: 2/40 x 110; Quality - 300 gm		
Provided with:		
Final Finish Package		
From Clariant (India) Limited, following characteristics when tested under laboratory test conditions:		
Test Parameter	Standard	Provided
Hydrophobicity (Drop Size)	25 mm	2.5 mm (18 times faster in 40% fabric)
Minimum Temperature (No. Washing Cycle)	2.5 mm	2.5 mm (2.5 times faster in 40% fabric)
Dispersibility	2.5 mm	2.5 mm (1.4 times faster in 40% fabric)
Dyeing Effect	Drop size 2.5 mm	Drop size 2.5 mm
Mr. V.P. Nayak, GM - Quality Assurance	Mr. K.S. Nayak, GM - Sales & Marketing	20th May 2002



Customer Development File (CDF) that provides total transparency to the company and all its technical and marketing force to understand the requirements and the development needs of its customers. This system is supported by various management information tools such as visit monitoring report, customer development report and distributor performance report for better understanding of the customers and to create confidence in serving them. In terms of **K.G.Denim Ltd.**, a pioneer in denim manufacturing, **“Services from Clariant are always from the top end of the drawer thanks to dedicated & professional approach.”**

Truly, Clariant (India) Ltd., considers all its customers to be its partners in progress. The company shares concern with those of its partners who wish to remain afloat in a competitive industry environment. Its team of highly experienced technical executives conduct process audit at the customers premises to improve and optimize processes by suggesting change in process time, sequence and products in use to improve cost efficiency in the textile processing and shares its success with them. Making customers smile in competitive market is the testimony of sharing its concern with its customers. That is why the customer is always delighted and remains in tie with Clariant. **JCT Ltd.** a renowned name in textiles expresses **“Clariant (India) Ltd. through their analytical and practical approach have regularly addressed our queries well in time thereby contributing in a great way in streamlining our processes.”**

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Paper....

Paper in all shapes and sizes with vibrant colour and potential of use for different purposes is part of everybody's day-to-day life. While dyes impart vibrant colours, speciality chemicals adds value for gloss, whiteness, softness, hardness, absorbency and water resistance. Chemicals give a smooth surface, prevent the print from smudging, make sure that the printing colorants and ink do not run to form an unattractive blob and impart antistatic properties.

Indian paper industry consists of paper mills producing 40 MT per day to 300 MT per day with modern machines. Industry is more dependant on lign based furnish and waste recycled paper. In view of its divergent structure, dyes and chemical requirements of each of these paper mills are different and unique.

Clariant has global expertise of serving large segment of paper industry. It provides a complete range of dyes, optical brightening agents and speciality chemicals as powerful solutions to a multitude of problems experienced by customers. Most of the customer needs active service with products customised to their technology. This requires translation of customer specific requirements into standardization of products. Continuous development and standardization of global technology ensures Clariant India Ltd. making right product available at right time.

Recognizing the need of its customers, Clariant (India) Ltd. introduced eco-friendly range of chemicals such as **Antimusol®** range of defoamers used in paper making process, **Cartan®** range of de-inking chemicals for removing ink from recycled paper, **Leucophor®** range of optical brightening agents and **Cartacol®** range of surface sizing chemicals.

Clariant (India) remains committed for its customised products to serve its paper industry customers and that is how it has been able to continue its growth momentum with cumulative average growth rate of over 20 percent during last 5 years.

Leather....

Quality is the soul of any product. To achieve customer delight, it is imperative to have quality at its best. Meeting customer perceived quality requirement and at the same time being able to be cost competitive is the major task the Company has to combat. It is the quality that makes Clariant India's Business Unit Leather stand apart in the market and help attract and retain customers, supporting its passion to grow. The Company leverages its global connections and extensive knowledge gained by its large technical team that always remains in touch with customers. The company's state of art technical labs and leather service centers set up at close proximity to the market is capable of taking care of quality improvement needs of its customers and providing right solution at right time.

Fashion is an expression of one's inner self in terms of wearing. It reflects the way one thinks, the way one acts and the way one perceives himself to be. It is therefore, rightly said that **what is in one's mind is on his body**. Leather industry being highly fashion oriented, it is imperative for Clariant (India) Ltd. to understand the exact requirements of its customers so as to carve its new product from these sheer requirements. The Company keeps in touch with changing trends and fashions and shares its knowledge and new

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