The background of the entire page is a reproduction of an ancient Egyptian wall painting. It depicts a domestic or ritual scene. On the left, a man is seated on a chair, holding a long staff or scepter. In the center, three women are walking from left to right, carrying a long object (possibly a musical instrument or a tray) on their shoulders. On the right, another man is seated on a chair, holding a bowl. The scene is decorated with various symbols, including a star, a lotus flower, and a small figure. The color palette is dominated by earthy tones like ochre, red, and green, with some white and black accents.

MATRIX

April 2007

A PUBLICATION OF THE SANMAR GROUP

A Passage to the World

Sanmar Holdings Ltd

Chemplast Sanmar Ltd
Trust Chemical Industries, Egypt

Sanmar Shipping Ltd

Sanmar Speciality Chemicals Ltd

Bangalore Genei
Intec Polymers
Performance Chemicals
ProCitius Research

Cabot Sanmar Ltd

Sanmar Engineering Corporation Ltd

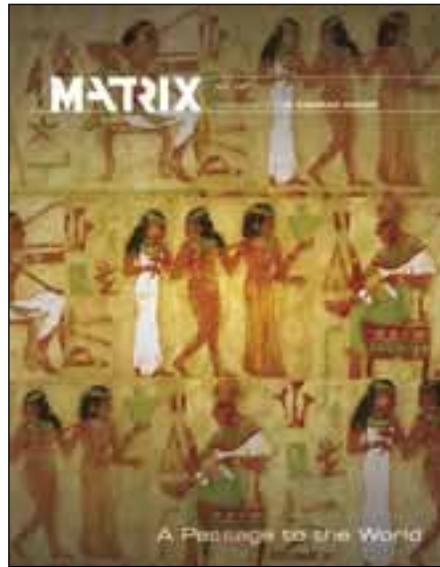
Asco (India) Ltd
BS&B Safety Systems (India) Ltd
Fisher Sanmar Ltd
Flowserve Sanmar Ltd
Sanmar Engineering Services Ltd
Sanmar Foundries Ltd
Tyco Sanmar Ltd
Vishay Sanmar Ltd
Xomox Sanmar Ltd

Eisenwerk Erla GmbH, Germany



The Sanmar Group
9, Cathedral Road, Chennai 600 086.
Tel: + 91 44 2812 8500
Fax: + 91 44 2811 1902

In this issue...



A Passage to the World	4	Community Welfare	
Call of the Nile	5	“Namakku Naame” Scheme:	24
Ein Walzer mit Sanmar		Tuition Centre at Mottur Village	25
Bertram Kawlath	10	Preventive Health Care for Mettur Residents	26
The Mecca of Tennis in India	13	MMA – Sanmar Effective Business	
Chennai Open		Communication Award 2007	27
For the Love of Tennis – V Narayanan	18	MMA Annual Convention 2007	28
N Kumar at the NIT Convocation	19	P Viswanathan and V Ranganathan Pull-up Stumps	28
A R Balaji Tops GLIM Program	19	New Developments	
Pristine Settings Around Sanmar	20	ProCitius Research Facilities at Ticel Park	
Twilight at Mettur		Commence Operations	29
Awards & Certification		New Foundry at Viralimalai	30
Greentech Safety Awards	22	Fisher Sanmar Expands its Facilities	31
FarmFest 2007 Award	23	Bulk Beauty Paragon Joins Sanmar Shipping Fleet	32
Cabot Plant at Mettur Gets Environment		Cricket Stars from Sanmar	33
Management Certification	24	Legends from the South	
		Annie Besant	34

Matrix can be viewed at www.sanmargroup.com

Designed and edited by Kalamkriya Limited, 9, Cathedral Road, Chennai 600 086. Ph: + 91 44 2812 8051/ 52

For Private Circulation Only.

|| A Passage to the World ||

In a short span of about four months, The Sanmar Group, furthering its ambitious growth plans made forays overseas through two major acquisitions – a caustic soda-chlorine facility in Egypt and a foundry unit in Germany. Both the acquisitions are significant strides that will provide the Group with a foothold to operate on a global scale. While the famed joint ventures of the Group opened up the passage into India for international technology, the new acquisitions are ‘open sesame’ for the passage to a global platform for The Sanmar Group. The combined capacities of the chemical business in India and the Egyptian facilities after taking into consideration the proposed expansion plans, will present a fully integrated and profitable chemical operation, elevating the Group’s PVC business to the top 20 in the world.

The foundry unit in Germany and the huge expansions in the domestic foundry will provide the Group with a sound footing in the growing automobile ancillaries and off-the road vehicle segments both in the domestic and international markets.

The Sanmar Group’s investments in the international arena will aggregate to about 535 million US dollars. With the overseas investments and the expansion plans The Sanmar Group is today poised for five-fold growth by 2010.



Call of the Nile



The Sanmar Group forays into Egypt with the acquisition of Trust Chemical Industries. The acquisition and investments in capacity expansion and downstream projects is about 500 million US dollars.





L to R: Abdul Khaliq Mustafa and S Venkatesan (Project Team), P S Jayaraman, Chairman, TCI, R Kalidas, Vice Chairman and JK Menon, Managing Director, TCI.

“Salaam Alekum. I welcome each and every one of you at Trust Chemical Industries (TCI) to join the Sanmar family. We bring with us a lot of industry experience and I would like to assure you that we are here for the long term. Sanmar is making huge investments here. We are closely integrating our operations at Chemplast in India with TCI. It is like two families coming together and growing as one team. We invite you to grow with us. God willing, together we will have a good innings.”

N Sankar in his address to Trust Chemical Industries' staff.



L to R: A Gopinathan, Ambassador of India in Egypt, Mrs Wong, wife of Singapore Ambassador to Egypt, Wong Kwok Pun, Ambassador of the Republic of Singapore in Egypt, Ismail M Ismail Khalil, erstwhile owner of Trust Chemical Industries and N Kumar of The Sanmar Group.



N Sankar and Ismail Mohammad Ismail Khalil.



Touring the TCI facility.

TCI employees at the lunch hosted by Mr Ismail to announce change of ownership of TCI.



The Sanmar Group has kept itself highly agile, integrating forwards and backwards, steering the cyclical nature of the chemicals business to profitability. The Group, in nearly four decades of operating in the chemicals business, has taken strategic initiatives to optimise its operational facilities and market reach. The PVC and chlorochemicals business has seen massive capacity expansion with the establishment of a greenfield PVC facility at Cuddalore with a capacity of about 200,000 tpa. The Group has a long record of chlorochemicals, PVC and caustic soda facilities' operating experience that dates back to the 60s. It is this long standing experience and exposure to various technologies from diaphragm to mercury amalgam to membrane cell that helped The Sanmar Group clinch the acquisition of Trust Chemical Industries at Port Said, Egypt, amidst stiff competition from major international players. Sanmar's acquisition of the facility, further expansion in capacity and downstream projects is about 500 million US dollars.

The facility at Port Said scores on its environmental friendly technology for its production process, feedstock supplies, cost efficiencies and its strategic location at the tip of the Suez Canal, facilitating product passage across the Mediterranean to Europe and through the Red Sea to Asia.



All the plants – at Mettur, Karaikal and the upcoming Cuddalore plant – are focused on the manufacture of PVC and chlorine derivatives. The Egyptian facility will also follow suit.

The Trust Chemicals facility at Egypt is a state-of-the-art caustic soda plant that has adopted the environment friendly membrane cell technology in the production process. The plant has a capacity of 200,000 tons of caustic soda, 180,000 tons of chlorine and about 4,900 tons of hydrogen. Expansion plans are already underway to increase caustic soda capacity by 75,000 tons per annum. An ethylene dichloride (EDC) facility is being set up with a capacity of 220,000 tpa. Continuing with the expansion programme, the facility will follow the EDC route targeting a VCM production of 400,000 tpa out of which 200,000 tpa will go to the Cuddalore plant for conversion to PVC and the balance of 200,000 tpa will be used for PVC production at a new PVC facility to be set up in Egypt.



“ This acquisition is a remarkable integration of a chlorine producer and a chlorine consumer, across two continents, resulting in commercially viable products - caustic soda and PVC, a win-win scenario for both.”

R Kalidas,

*Vice Chairman,
Trust Chemical Industries, Egypt*

With these expansions, Sanmar's PVC business becomes completely integrated. At full capacity, the Group's PVC business is expected to be amongst the top 20 in the world.

The Port Said facility is managed by a senior management team well groomed, with the technical and leadership expertise required for the chemicals business. The domain expertise and operational efficiencies arising out of operating in a global platform will make Sanmar a major player in the international PVC and chlorochemicals sector.



“This is indeed a great opportunity for The Sanmar Group to have a presence in the international chemical arena and foray into the overseas markets.

Chemplast is a long standing player in the PVC vertical in India. With this acquisition we can establish ourselves in a big and growing market like Egypt. Once production facilities are in place, we will have a fully integrated facility at Egypt for PVC manufacturing and make available vinyl chloride monomer (VCM) thereby assuring supply of feedstock required for our Cuddalore operations.

As for zeroing in on Egypt, the location of the project lends itself for reaching international markets like Europe and Asia besides the natural market which is Africa.”

- **P S Jayaraman,** *MD, Chemplast Sanmar Ltd, India and
Chairman, Trust Chemical Industries, Egypt.*

Eisenwerk Erla GmbH – Ein Walzer mit Sanmar (A Waltz with Sanmar)

Dr Arnold Kawlath, B Natraj and Vijay Sankar.



Sanmar's ambitious growth plans by way of scale-up in size, equity and market reach, saw the Group's first overseas acquisition of a foundry unit in Europe. The men at the helm got their act together to blitz the deal in an astounding three-month time-span.

Eisenwerk Erla GmbH, Erla, Germany, a member of The Schubert & Salzer Group, has a 650 year old history of iron extraction and processing in the Schwarzwasser or 'iron valley'. The Ironworks at Erla has seen history pass through its portals, and change hands between various owners. The technological prowess evolved and continued, in every century, with every owner. With every landmark event in history, the foundry has been there;

through the progress from the industrial revolution to the era of user-friendly dream machines, from monarchy to anarchy, from the cold-war to the crumbling of the Berlin Wall, Eisenwerk Erla has been a key link in the value chain. The only constant in the evolution of this great foundry is continuous effort in terms of process and product variations and modernisation. The foundry though in different hands, at each change has looked for market gaps

and cashed in with product variations to suit market needs. In the 21st century, the foundry has a legacy of a great R & D base, abundant technological skills and patented technology specific to the automobile industry. Coupled with this is a reputation built over decades of excellence, customer relationships and reliability and of course, the strength of customer proximity.

Bertram Kawlath and Dr Arnold Kawlath of The Schubert & Salzer Group with Vijay Sankar and B Natraj of The Sanmar Group at the signing of the agreement.



B Natraj on the Erla Foundry Acquisition

“For sometime now, the Sanmar Foundry at Viralimalai has increased its customer base to include the transportation industry. These would be large steel castings supplied to manufacturers of earth moving equipment. A natural growth from this would be iron castings and The Sanmar Group has chosen SG Iron Castings as an initial launch programme for supply into the automotive industry.

Due to the natural advantages arising out of low manufacturing costs in India, it is expected that the metal pouring and metal castings industry will form the base for The Sanmar Group’s entry into the automotive sector.

The “proving” period for fledgling automotive ancillary is significant and recognising this, we have bought a successful existing foundry in Europe, which has an excellent customer base including Borg Warner, IHI, Audi/VW Group, BMW, Daimler Chrysler, Honeywell, MAN, MTU, Liebherr, Luk, etc.”

Bertram Kawlath

Managing Director,
Eisenwerk Erla GmbH

Bertram Kawlath: A historian
by profession

Masters in History (focused on
Modern history- global, nuclear
strategy, etc).

Masters in English Literature

MBA from International
University, Geneva

A member of the Presidency
of The German Council for
Foreign Relations

Part of The Ten young
Entrepreneurs' Group of the
German Chancellor.

Mrs Kawlath: Masters in
English Literature

Masters in History

Teaches English and History

Interests: Travelling, foreign
policy, family

Leisure: Sailing – Sails twice a
year with his wife

Golfing- Presently the birdies
are on the back burner since
his 17-month daughter has
taken centre stage.



On his choice of specialisation:

My dad wanted me to be a chartered accountant. I wanted to be a historian. I had my way. Our former Chancellor Helmut Kohl himself is a historian, so it is all right, isn't it?

With Eisenwerk Erla foundry shifting to Sanmar hands, yet another East-West wall crumbles...

In Germany we say, the wall is in the head, if ever there was one and we've tried to keep the walls out of our thinking. We never looked at the world as East and West. East and West Germany, I'd say yes. I was born and bred in West Germany. Our business is in East Germany. The East-West divide does crop up in conversations. Building relationships with people from anywhere in the world is more to do with similar attitudes than anything else. I felt very much at home in India. The ease with the language especially, makes personal interaction much easier as compared to China.

The attributes that brought Sanmar and Eisenwerk Erla together...

Essentially similarities in thinking – both are family-owned businesses and distinct in that we think long term. Our plans are not in terms of years but lifetimes. The levels of flexibility, being able to decide quickly, is another attribute. But most importantly, it is the ethical moorings. When I saw Sankar, I told my Dad, "He is a mirror image of you" the thinking process, quick decision making, creative problem solving, etc. Two like-minded people can come to conclusions very quickly.

'Spotting' ethical moorings...

It is in the small things. Erla is a success story, many people knocked on our

doors. My Dad wanted to make sure that his people would be treated well. One thing that came across in the business plans, the negotiations and the approach was TRUST. We were very open and frank and in return Sanmar trusted us and showed faith. There was total transparency in our discussions.

The Erla foundry was acquired by the Schubert & Salzer Group. The dynamics of operating a foundry once owned by the state...

In the early nineties when we took over



the Erla foundry, there was a severe fall in strength from 550 people in 1989 to just 80 people. But the business potential was huge. The Erla foundry was making vital parts for the East German car industry. Even in 'cold-war' influenced East Germany, the foundry had western customers as it brought in foreign currency.

When we entered Erla, the people were sceptical about yet another westerner. My father's focus was: (1) People (2) Modernisation.

Between 1994 and 2006, we invested 45 million euros. The bulk of the investment went into productivity – new buildings, machinery, technology. East Germany was characterised by poor infrastructure. Incidentally, a month before the Wall fell, we installed the second Disamatic line.

Managing a work force with a proletariat gene...

Whatever stereotype East Germany may be attributed to, the Erzgebirge or "Ore Mountain" area is unique in that it is a traditional area. Generations of people have followed the iron works tradition and there is continuity as skills have been passed down. People are very industrious; they love their work, no matter who owns the foundry, as long as they are treated well. Saxony, at the border of World War II, was the cradle of the German machinery and car manufacturing industry. When we came in, it was more a return to tradition. There were no problems whatsoever. The initial scepticism was expected because like the gold miners during the Gold Rush, Erla was exposed to a lot of people who came in without capital. In the end it's always a question of honesty, transparency and

building relationships, and we scored on all these fronts.

On customer management...

In the context of customer management, 'long term' is an important word. Our focus is always honesty. We never promise anything we cannot deliver. We strive to be our customers' enduring partner not

|| A Passage to the World ||

the cheapest partner. We address our customers' needs by working alongside as their R&D partner. Our entry point to customers is the engineering section. It's only five steps later that we get to the purchase department. We solve our customers' problem from the front-end product line upwards. Our thinking is that it's not just a casting problem, there's more to it.

'Advantage' customer proximity...

The advantage has more to do with relationships than geographical proximity. Ours is a strong R&D centre. We have specially skilled people who work closely with the customers at various levels of the manufacturing process. I feel very secure with them. Closeness with the customer is not something created in a year, it takes many years of working together and very good networking. Geographical proximity though not imperative, surely helps. But above all it is technology, R&D and skilled people in the full process line that is our advantage.

Managing the key links for 'just in time' delivery...

We have invested in and perfected our core processes. We have also selected partners who have invested in their core processes. We have established

an excellent network. The various manufacturing processes may originate in Erla, proceed to the Czech Republic, onward to Hungary and finally head to be part of an engine elsewhere. We choose the correct partner at the correct location for the correct job.

The dicey business of logistics...

Sometimes we undertake delivery ourselves, sometimes the customer picks up the goods themselves. The important thing is the part should be available for the customer when they need it. We have to ensure that the parts are finished at the right time and ready to be picked up. We have invested in sound IT systems to ensure this.

On guarding patent and technology rights...

It is not about patenting a part. The entire manufacturing process right from raw material to its treatment is customised to our customers' needs and constraints. It is more to do with a continuous process of R&D and hence each product is a holistic solution to the customer's unique needs.

Recruiting and retaining talent...

We recruit through hard-hitting advertisements. We work closely with universities to tap bright young

engineers. We also appoint apprentices and fund their university education and train them. We provide opportunities in R&D for our young engineers to solve our customers' problems. Who wouldn't want to write a thesis for a BMW, Daimler Chrysler or an Audi?

Challenges of managing a JV across the globe...

I don't see any major challenges. After all the ways of working of both the groups are similar. Nothing changes much for me in that my interactions with my father are replaced with Sanmar. Culturally, the language barrier could be there. The only other language people speak here is Russian (a cold-war legacy). But we are working around this. People in Erla are taking English classes just as Ramdas is taking German classes.

As for acceptance, unlike the people in Dusseldorf or Cologne that is close to the Dutch border, people in Erla are a bit reticent. They take a while to open up. It happened to me when I moved in here. Even the dialect was different. But given time, they see we mean what we say, they open up and the relationship thus built is more solid.





Chennai Open

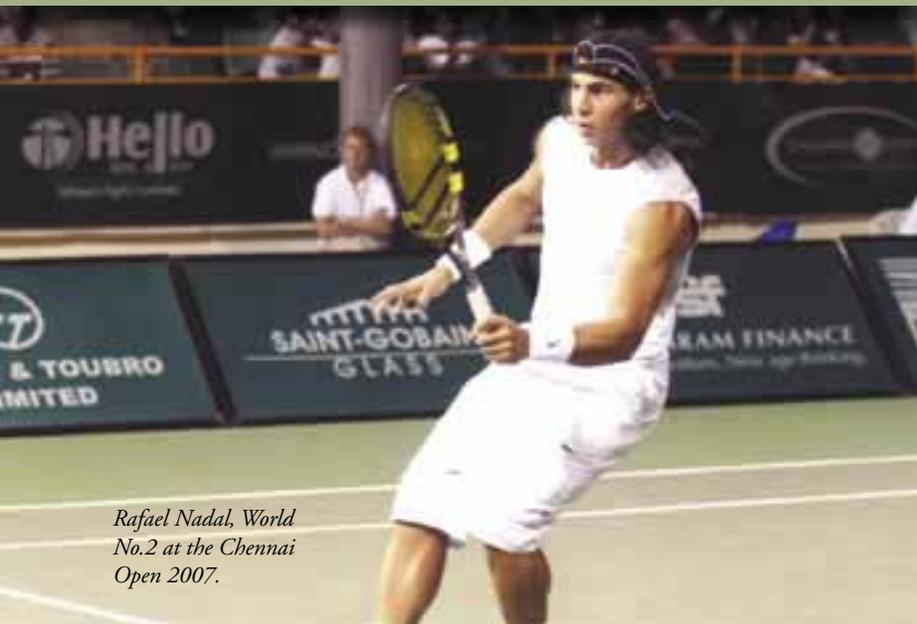
Sanmar & Tennis

Sanmar has a long standing association with tennis. N Kumar, N Sankar, V Narayanan and Vijay Sankar have in many ways lent their support to the sport and have played a key role in ensuring the success of The Chennai Open and the Tamil Nadu Tennis Association in Chennai.



Xavier Malisse, 2007 Champion in action.

The Mecca of Tennis in India



Rafael Nadal, World No.2 at the Chennai Open 2007.

Come January, Chennai takes centre court playing host to the top players in world tennis. Slowly but surely, this town is getting to be what Flushing Meadows or Wimbledon is to international tennis, getting visibility across the globe – Asia, Europe, Latin America and the US. The Chennai Open 2007 has placed Chennai city on primetime for global viewing. The city's resources and service providers converge to bring to tennis fans a well-managed tournament, a showcase of teamwork in totality.



Platinum and Gold sponsors with some players at the inauguration of Chennai Open 2007.

There is no mystery in the history of Chennai's association with tennis. Chennai has groomed and presented to the world, some top-class players like the Krishnans and the Amritraj brothers. Paes and Bhupathi have trained at and transited through Chennai. The SAARC Games hosted in Chennai resulted in the city's very own world-class sports arena. This initiative by the Sports Development Authority of Tamil Nadu was the turning point. The stage was set to open the doors to international tennis in the heart of Chennai. All that remained were champions and enthusiasts to the cause.



Vijay Amritraj at the 1999 Gold Flake Open.

Vijay Amritraj began the serve 12 years ago as president of the Association of Tennis Players (ATP), an international body that schedules tournaments worldwide. He brought together the IMG (a global organisation that sponsors sportsmen and

owns some of the ATP tournaments) and the All India Tennis Association. The ITC-sponsored Gold Flake Open hit the ground to a tepid response in 1997. The tournament, single-sponsor driven, changed hands with the Tatas. The tournament was played at Chennai and the Tamil Nadu Tennis Association's (TNTA) role was restrained to managing the show.

Scoring the tie-breaker

At a time when garage-based startups with innovative business models and global customer base were up for grabs, a 1.8 million dollar price tag for

sponsorship of a tennis tournament didn't translate into substantial returns. The rally for sponsors was on. At the same time, the Chief Ministers of neighbouring states, sensing the branding opportunity, vied to host the tournament in their respective states. Tennis champions and ardent



Standing L to R: Anand Amritraj, Leander Paes, S Vasudevan, N Sankar (Past President of TNTA). Seated L to R: V Narayanan, Pat Cash, Susan Mathew, IAS, Apoorva Balaraman, IAS.

tennis lovers in Chennai, including M A Alagappan, A Vellayan of The Murugappa Group, N Kumar, and V Narayanan got together; they approached the Tamil Nadu Government to help retain the tournament in the city. N Narayanan, Chief Secretary to the government and Vijay Amritraj also pitched in. The Tamil Nadu Government

agreed to be the lead sponsor and partnering a consortium of corporate sponsors, the Chennai Open got to match point. TNTA signed an agreement with the IMG ensuring continuance of the tournament in Chennai for at least five years.

TNTA has V Narayanan at the driver's seat as president. In the past, the tournament featured senior Grand Slam champions who were past their prime. Now the profile of the players at the tournament has changed and the focus is to get players who are potential world champions. Rafael Nadal won his first ATP title at Chennai and went on to become world No. 2. TNTA's role has expanded to include sponsor representation and the conduct of the tournament. Narayanan,

is well-connected in the corporate world, ensuring a consortium of sponsors. The IMG and ATP connection packs the final punch to the globalisation of Chennai Open. Today the top hundred players participate at the 32 matches in the tournament. With a global telecast, the exposure of the corporate sponsors and



The beginnings. The very first press conference before the Chennai Open Series 2004. L to R: V Narayanan, Ravi Krishnan, Vijay Amritraj, PWC Davidar, IAS, Member Secretary of SDAT and M P Shankar, Hony Secretary, TNTA.

the Tamil Nadu Government has been tremendous. Brand Chennai arrived on the global scene with the Tamil Nadu tourism promotions during the telecast. The economic implications are very encouraging. Tamil Nadu now ranks No. 2 (two notches up from No. 4) in the highest number of FDI in the states. The boost to tourism is yet another score.

Advantage Chennai Open

Through its global exposure Chennai tennis has helped to brand India Inc. Chennai Open scores over other tournaments in its hospitality to the players. Twice voted as the best run ATP tournament by international players,



V Narayanan with Deepak Pandiya, General Manager, Indian Oil Corporation - Tamil Nadu & Pondicherry and State Representative for the Oil Industry.

Chennai Open's hallmark is the airport to airport care it takes of the players, from customs, immigration, safety, food, transportation, practise schedules to other creature comforts that would set them at ease. The presence of the IMG is also a big boost to the sport and the participation of high-ranking players. The event has received a lot of support from various quarters. Mercedes Benz that sponsors several tournaments by itself served as transportation partners providing a fleet of 12 cars for the players to shuttle. Rolex is the official timekeeper at the tournament. The trophy is a unique design specially crafted by a leading jeweller in Chennai. The Airport Authorities of India, Customs, Police, the Government of Tamil Nadu (irrespective of the political lineage), Singapore

and Malaysian Airlines and the corporates in Chennai have ensured the smooth conduct of the tournament. Vijay Amritraj has stood as the backbone of Chennai Open and is a brand ambassador for the tournament. Chennai is also a good transit point for players bound for the Australian Open which comes close on the heels of the Chennai Open.

Future-scope

Tennis is a gentleman's game but it doesn't mean it's a no show for the grand slam dames. The TNTA is already exploring possibilities of conducting a WTA (Women's Tennis Association) tournament in Chennai. While one gets to see the wonder boys from the Grand Slams, one still longs for the big daddies and their tennis histrionics. With support from the sponsors, on the cards is a three-day tournament of four to eight senior players and Chennai can look forward to getting thrilled with Sampras, Agassi or Borg.



M A Alagappan, giving away the runner-up prize to Rohan Bopanna and Prakash Amritraj at the Chennai Open 2006.



N Kumar.

Transport Partner - Mercedes Benz.



TATE - Taking Tennis from the Lawns Above

TNTA has at its helm the support and participation of corporate leaders in Chennai. Vijay Sankar of The Sanmar Group is a Council Member of the TNTA and serves on the TATE Committee.

TNTA is very active taking tennis to the grassroots level, driving the sport

selects five most promising youngsters to be trained at the NBTA for a month. The Tamil Nadu Government, IMG and TNTA sponsor the training, air passage and upkeep of the selected players. TNTA has sponsored two such teams in the last couple of years. The remaining players are given competition exposure at the national and Asian levels.

The Vice President of TNTA, Lakshmi Mahadevan, who is an erstwhile Asian champion runs the UCAL Women's League. Man, woman and child come under the fold of TATE's tennis net. TNTA is also advancing into the districts and have already covered ten out of thirty districts in Tamil Nadu. In the last few years, Chennai Open



Standing: Hiten Joshi, Manager, with the team to the Nick Bollettieri Tennis Academy, Florida, USA.

from all directions. TATE (Tamil Nadu Academy for Tennis Excellence) is the coaching arm of TNTA and is also responsible for the conduct of tournaments at the regional and national levels, providing tournament exposure to its players. With three coaching centres at Chennai, it has trained over 400 aspiring young players. TATE is sponsored by eight corporate houses. The ace that TATE serves is that TNTA is the only sporting association in the country with access to the Nick Bollettieri Tennis Academy (NBTA) at Bradenton, Florida. NBTA is owned by IMG and its alumni includes world champions like Agassi, Borg, Shapovalov, Williams sisters, Jim Courier, Sampras and many more.

Every year TNTA picks the top 15 players from across Tamil Nadu and

TNTA in association with the Madras Cricket Club (MCC) and sponsored by Adidas hosts the All India National Juniors Championships which is a national tennis event for the juniors.

has branded Chennai and Tamil Nadu across the globe and rustled up enough passion for the game nationally and internationally to keep the fever going for years to come.



Anand Amritraj with young trainees at the TATE-MRC stadium, Egmore.

Sanmar - TNTA Tennis League



Wheelchair tennis conducted by the TNTA in October 2005.

The Sanmar TNTA City Club League winners. Also seen seated N Sankar (second from the left) and N Kumar (second from the right) and V Narayanan among others.

The Sanmar Group was the first sponsor of TATE. With support from Sanmar, young tennis aspirants now have the opportunity to get trained and excel in the sport. Sanmar sponsors the Sanmar Inter-club League Tournaments in the men and veterans categories. TNTA conducts these league matches. With 26 tennis clubs in the city, there has been a great awareness of the sport and the bar is raised to international levels in tennis excellence.



Sanmar rolling trophies and awards given away by N Sankar at the TNTA Annual Day.



Sanmar Trophies

V Narayanan has an unending list of portfolios attached to his name. He is on the board of a host of companies, including The Sanmar Group. His association with Chennai tennis has helped place it on the world map. Here is a brief profile of a man who has excelled and emerged as numero uno in everything he has touched, from academics to sports to management, he is Mr Perfect Personified.

For the Love of Tennis - V Narayanan

Calicut born, schooled in Lovedales, Ooty

Received Best Outgoing Student Award

Stood first in Senior Cambridge Examination (world-ranking)

Captain of the cricketing team in school

Graduated in Chemistry Honours from Loyola College, Madras

Captain of the tennis team, played tennis for Madras University and was a contemporary of Ramanathan Krishnan

Started his career with Hindustan Lever

Became a serious student of management, went on an exchange program to UK with Unilever to study management

Appointed by Cheseborough Ponds, he was the youngest CEO of the first and only American MNC headquartered in Chennai

Love for management as a subject got him involved in ACME, which is part of IFMR

Dealt with brands for 40 years of his life

Great love for debating and public speaking. Has spoken publicly in all 51 states of the US. Shared the podium for public speaking with Manmohan Singh in Geneva and Narasimha Rao in Spain

President of the Indo-American Chamber of Commerce for two years

Associated with TNTA for 15 years, President since last seven years.



“Vast opportunities exist today and it is not just IT that is leading the way. The focus of the young generation is not limited to India but it is global. Young managers should look at India as the next super-power in the world and act accordingly.”

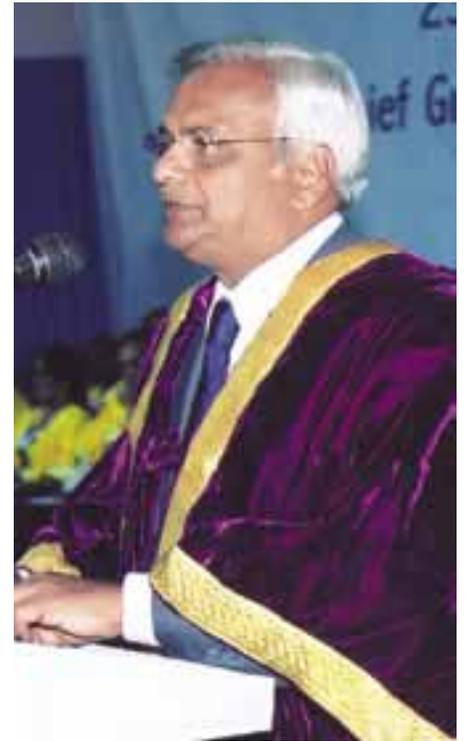
V Narayanan

|| N Kumar at the NIT Convocation ||

The second convocation of the National Institute of Technology (NIT), Tiruchirapalli (the erstwhile Regional Engineering College, Trichy) was held on 23 December 2006. N Kumar, Vice Chairman, The Sanmar Group, who gave the convocation address said that the Group, with its presence in Tiruchirapalli, always looked at the NIT for its corporate leaders. He said that it was imperative for educational institutions to channel the creativity of students towards manufacturing and

help the industry retain talent. He added that to nurture skills, the industry and educational institutions should work together.

R Seshasayee, Chairman, NIT Board of Directors and Managing Director, Ashok Leyland, who spoke on the occasion, said that India is well positioned to script its own future as a knowledge economy and there is no MNC in the world where 'India Strategy' is not discussed.



|| A R Balaji Tops GLIM Program ||

Amidst a lot of cheer, A R Balaji of the Treasury department at Sanmar received a bouquet from R Rangarajan, in celebration of his success at the Great

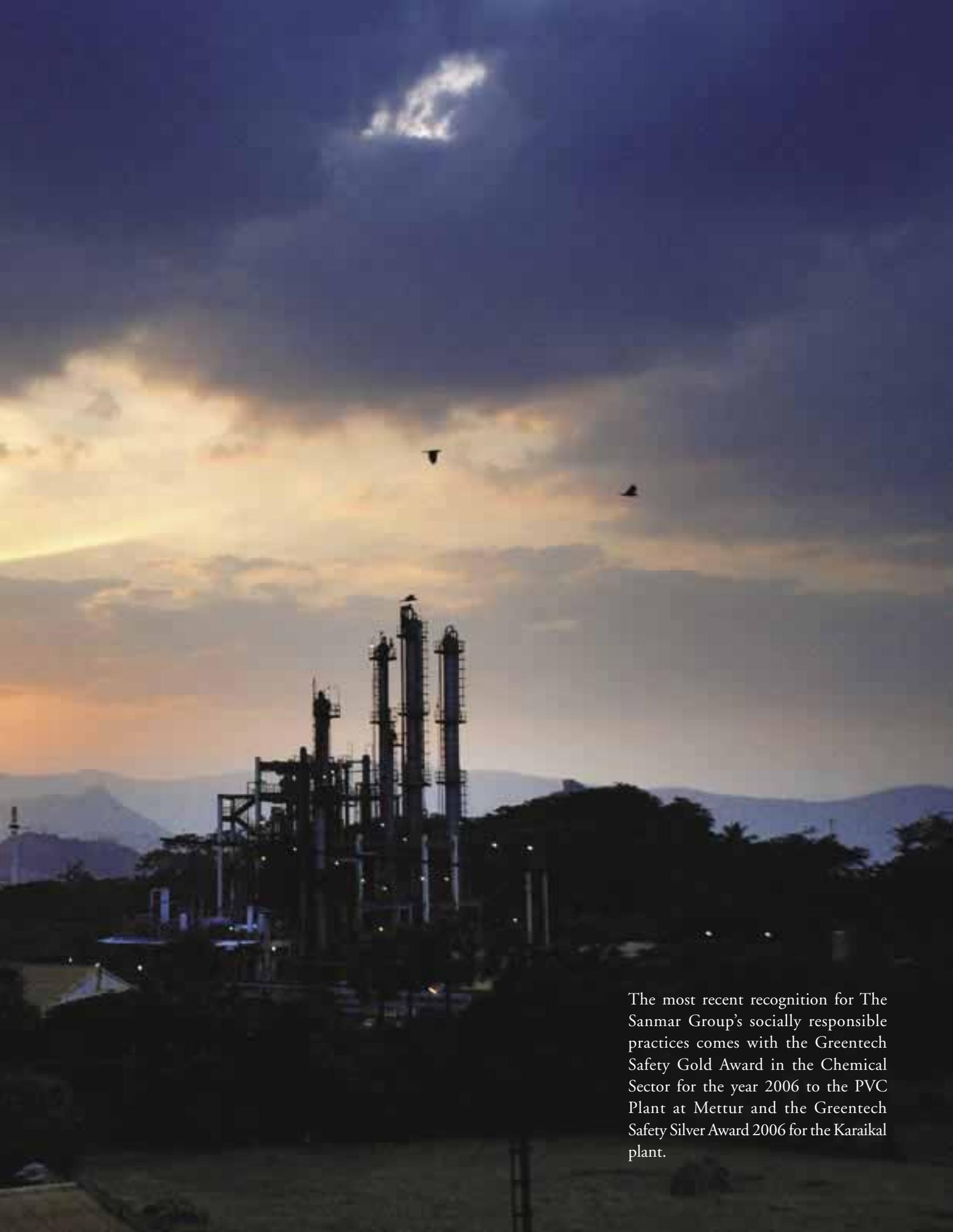
Lakes Institute of Management (GLIM). He topped the Executive MBA program at the GLIM.



|| Pristine Settings Around Sanmar ||

Twilight at Mettur





The most recent recognition for The Sanmar Group's socially responsible practices comes with the Greentech Safety Gold Award in the Chemical Sector for the year 2006 to the PVC Plant at Mettur and the Greentech Safety Silver Award 2006 for the Karaikal plant.

|| Awards & Certification ||

Greentech Safety Awards



Tony Smith, Executive Director, National Safety Council - USA, presenting the trophies to Mukul Dixit and TAN Thenappan. On the extreme left is Kamleshwar Sharan, President of the Greentech Foundation.

Chemplast Sanmar's PVC division at Mettur and Karaikal plant bagged the Greentech Safety Gold and Silver awards respectively in the chemical sector for the year 2006 for the outstanding achievements in Safety Management. The awards were presented to Chemplast

Sanmar during the 6th Annual International Conference on Fire, Safety and Security held between 22 – 24 February 2007, at the Bombay Exhibition Centre, Mumbai. Tony Smith, Executive Director, National Safety Council - USA, and Kamleshwar Sharan, President of the

Greentech Foundation were present at the award ceremony. The function was attended by major corporates, industries and service sectors. The Greentech Foundation is a New Delhi based non-profit organisation.

FarmFest 2007 Award



Karaikal bagged the third prize at the FarmFest 2007 Awards. A M H Nazeem, Opposition leader gave away the award to V Radhakrishnan of Chemplast Sanmar, Karaikal. Sudhir Kumar, District Collector of Karaikal, was also present at the function.



|| Awards & Certification ||

Cabot Plant at Mettur Gets Environment Management Certification

Cabot Sanmar Limited, Mettur, has complied with the requirements of the TÜV SUD Management Service GmbH, for the award of the ISO 14001:2004 certification. It has established and applies an Environmental Management System for the manufacture and supply of various grades of fumed silica and intermediates that conform to certification standards. An audit was performed before the certificate was issued and is valid till the year 2009.

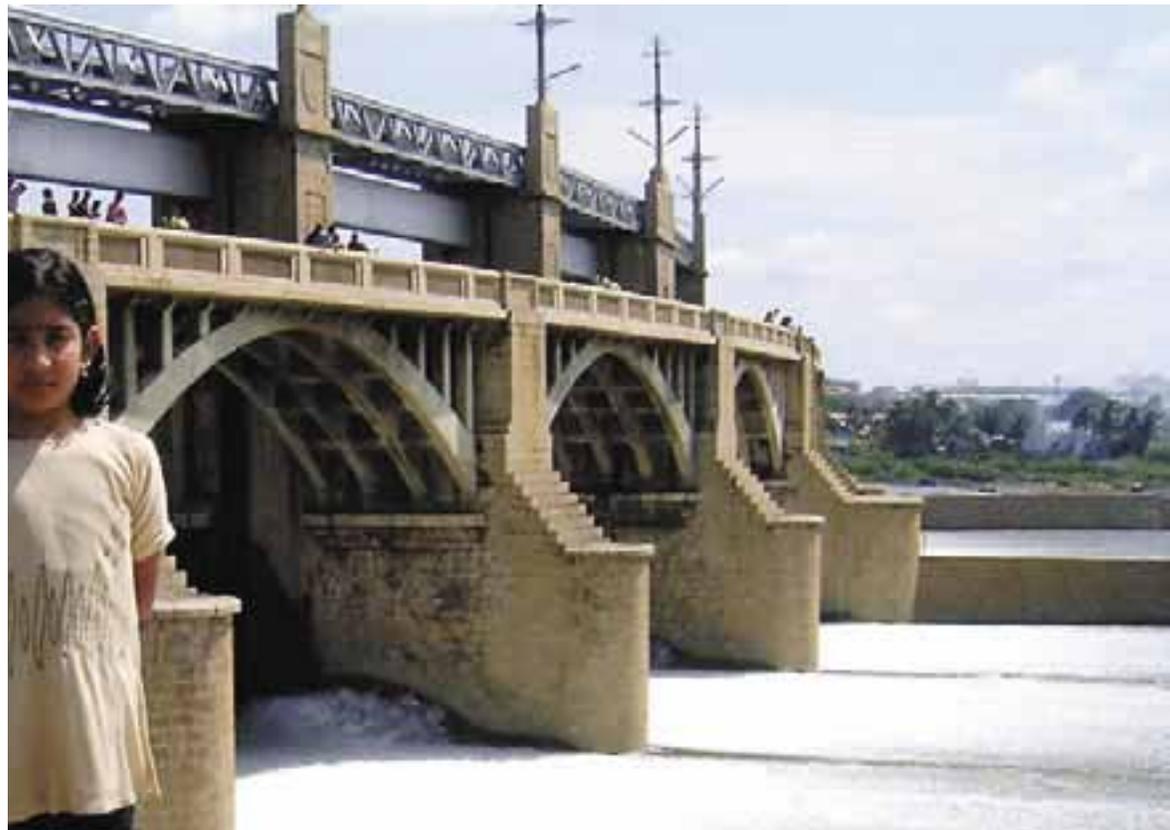


|| Community Welfare ||

“Namakku Naame” Scheme: Uninterrupted water supply to Veerakkalpudur town

The Tamil Nadu government has introduced the “Namakku Naame” water supply scheme to provide uninterrupted water supply to the residents of the Veerakkalpudur town, Mettur. According to the scheme, construction of overhead tanks and the creation of necessary infrastructure would be met by the government, the panchayat and the public jointly.

While the government will be the major contributor towards this scheme, Chemplast Sanmar Limited will undertake the responsibility of the public contribution, thereby providing financial relief and water facility to the community.



Tuition Centre at Mottur Village

School children below 14 years of age in Mottur village will now be benefited by the free tuition facilities provided by Chemplast Sanmar. The new centre was inaugurated on 24 January 2007 by TAN Thenappan of Chemplast, Mettur. The centre will provide after-school coaching for young children that would complement their regular educational pursuits. The centre will function from 5.30 pm to 8.30 pm. Tutors are appointed from within the village. About 50 children of Mottur village will stand to gain by this new facility.



Preventive Health Care for Mettur Residents



The weekend of 11 February when most people were out on a limb, unwinding and recharging themselves, some of Chemplast employees at Mettur gathered at CRC-Plant II, Mettur Dam. The occasion was a free general health camp organised by Chemplast for the benefit of the Mettur community.

576 people in the region benefited from the daylong free health camp. The camp provided free screening for ailments like hypertension, diabetes, bone mineral density and gynaecology. Sanmar's in-house medical practitioners Dr R Kumar and Dr R Kailasam conducted the medical checks, supported

by Dr Sudha from Providence Hospital, Salem and Dr Sharmila from Mettur.

The camp was inaugurated by N Baskaran, IPS, Superintendent of Police, Salem.



MMA-Sanmar Effective Business Communication Award 2007

A Tribute to S Ramaswamy, the first GM of Chemplast

The tremendous advancement in communication technology has shrunk the world by opening up various communication channels at the touch of a button. The common medium being the English language, it is imperative, that business correspondence transcends geographical and cultural barriers and serves its true purpose of being understood by the recipient. However, in recent times, there is a serious decline in business writing skills.

The Sanmar Group, together with the Madras Management Association (MMA), has instituted an Award for Effective Business Communication (MS-EBC Award) for young managers. This award is the first of its kind and drives the need for drafting business communication that is precise, persuasive and plain - shorn of jargon and pompous words.

The first contest was held and 30 participants registered. A business situation was given and participants prepared a business proposal and a cover letter for the same. The first prize went to Vikas Chawla of Taj Coromandel, the second prize went to Naveen Aluri of Office Tigers and the third prize went to Padmavathi Ramanathan of Jasmin Infotech Pvt Ltd.

K V Kamath, Managing Director, ICICI Bank Ltd., gave out the awards on 17 February, the second day of the MMA Annual Convention 2007.

This award is dedicated to the memory of the late S Ramaswamy, the architect of The Sanmar Group's PVC business and the first general manager of Chemplast Sanmar Ltd. Ramaswamy was extraordinarily good in drafting

business communication and had laid the foundation for what the company follows today in terms of people, quality, reputation and ethics.



C K Ranganathan, President, MMA and CMD, Cavinkare Private Limited, KV Kamath, Managing Director, ICICI Bank Limited, N Sankar, Chairman, The Sanmar Group and Vikas Chawla of Taj Coromandel (first prize winner).



Naveen Aluri of Office Tigers receiving the trophy.



Padmavathi Ramanathan of Jasmin Infotech Pvt Ltd receiving the trophy.

MMA Annual Convention 2007

Theme: Global Leadership - India can do it!

The Annual Convention of the Madras Management Association was co-sponsored by The Sanmar Group. The two-day session had eminent speakers from leading industries.

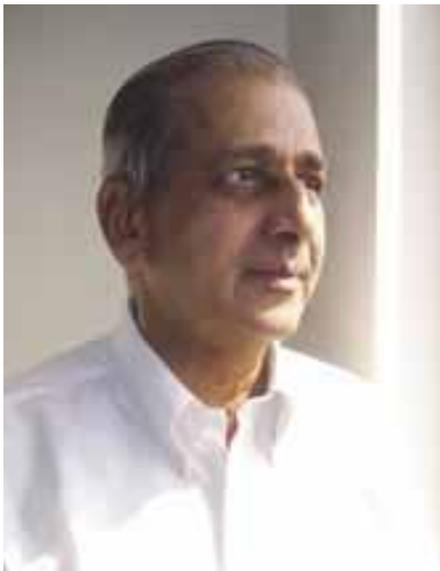
The overall theme was Global Leadership – India can do it ! All speakers spoke on a positive note, elaborating the factors giving fillip to the economy and drew attention to the challenges and the way ahead. The two-day sessions focused on the factors that will help sustain a double-digit growth rate. Among the opportunities, the knowledge base, skill sets and improved efficiencies were cited as reckoning factors. The lag is in the area of infrastructure, power, education, public services, employability of educated masses, slow agricultural growth, inadequate IT-enablement domestically in spite

of being a major IT player globally and geographical inequalities in growth and development. The speakers represented industry segments like healthcare, pharmaceuticals, telecom, media, auto ancillaries, ITES and education.



S Gopal of The Sanmar Group & Chairman, Convention Committee, MMA with Dato Vijay Eswaran, Group Managing Director, QI Group of Companies, Hongkong.

P Viswanathan and V Ranganathan Pull-up Stumps

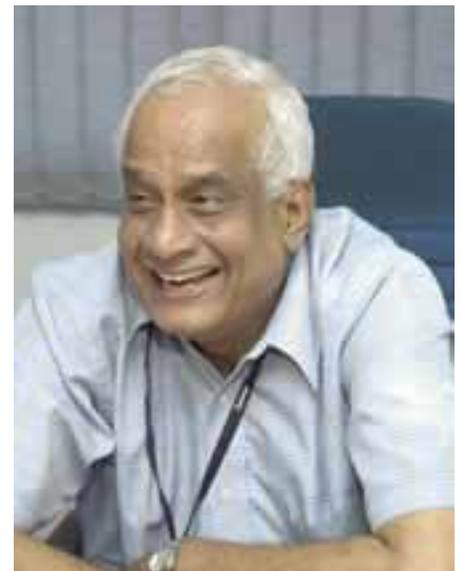


V Ranganathan

P Viswanathan is back in the pavilion post retirement ending an association with Sanmar running to nearly 16 years. He had handled various portfolios during his long tenure. He was Managing Director, Sanmar Shipping Ltd at the time of his retirement.

V Ranganathan had a long innings at Mettur and he retired as Chief Executive, Operations, Chemplast Sanmar Ltd. In the second innings of his life, he hopes to spend a lot of his time with his twin grandchildren. His association with Sanmar runs close to three decades.

Sanmar wishes Viswanathan and Ranganathan good luck in their journey ahead.



P Viswanathan

||New Developments||

ProCitius Research Facilities at Tichel Park Commence Operations

ProCitius Research's new research facilities at Tichel Park, Taramani, Chennai, was inaugurated on 24 January 2007 by N Sankar. The state-of-the-art facility has phase I up and running. Phase II is expected to be completed by the close of the year. Speaking at the inaugural, Vijay Sankar, Deputy Chairman said, "Opportunities are huge, we are committed to making this grow and will invest a lot more in this area." Murli Ramachandran, Managing Director, Sanmar Speciality Chemicals Ltd said, "Within five years, we have added this new facility. I would call this a take off point. We are readily positioned to take off in contract research services and we also look forward to growth in the area with the help of Tichel."



Dr Y Koteshwar Rao, Murli Ramachandran, Vijay Sankar and N Sankar at the inauguration.

New Foundry at Viralimalai



L to R: N S Raghavan, Regie Paul, Vijay Sankar, P Natarajan and K Mohan.

Sanmar Engineering Corporation (SEC) is gearing itself to capitalise on the high demand wave that the foundry business is riding on. Roughly about 30-40 % of SEC's total revenue is expected in the foundry segment and a good majority of it in new product categories like off-the-road vehicles (mining, earth moving and locomotive) and for the transportation and mining industry.

The foundation stone for the new foundry was laid on 22 January 2007. The facility is expected to be ready by December 2007. At an investment of about Rs 90 crore, the facility plans are on the lines of a fully automated modern foundry built to global standards. The new foundry is expected to raise the current output of about 10,000 tons to 30,000 tons per annum.



Vijay Sankar, Regie Paul and M N Radhakrishnan receiving the "arti" while others look on. On the extreme right is G K Pillai.

Fisher Sanmar Expands its Facilities

Fisher Sanmar Limited, a JV constituent of the Sanmar Engineering Corporation Limited, expanded facilities and shifted its large valve manufacturing operations to the new facilities. The facility was inaugurated by Terry D Buzbee, President, Fisher Controls International LLC, USA, on 29 January 2007.

The new plant was set up with an investment of about Rs 22 crores and capacity of about 800 valves per annum. Rapidly expanding order booking spurred by the growth in refineries, petrochemicals and power sectors has increased demand and the need for expansion.



R to L: M N Radhakrishnan, Vijay Sankar and Terry Buzbee.



The Sanmar Engineering team with the visiting Fisher Controls International team.

Bulk Beauty Paragon Joins Sanmar Shipping Fleet

Sanmar Shipping re-enters the bulk carrier segment with the inclusion of a Panamax bulk carrier, to its existing fleet.

The world economy and weather pattern impact the demand of trade by sea. Economies of India and China have gained momentum in areas of infrastructure development, thereby resulting in a greater volume of trade across nations. Driven by high demand, the support levels have risen significantly over the past four years. The rise in support levels has injected plenty of optimism in the market. The volatility in the dry bulk sector has doubled from

23% in the period 1992-2002 to 46% in the period 2003-2006 increasing the prospects of high return in the market upturn. Taking a cue from the challenging environment, Sanmar Shipping has negotiated successfully for a modern Panamax bulk carrier, Avalon.

Re-christened 'Paragon', the bulk beauty (96-built), is the youngest in the Sanmar fleet and is 225 m long and 73,080 dwt. The carrier is geared for long hauls of bulk cargo and boasts of a high-calibre engine which provides the advantage of greater fuel efficiency. This new addition will operate in the Torvald Klaveness Group's Baumarine pool for Panamax carriers.

With the shipyards busy with orders for tankers and container ships, there has been a shortfall of modern Panamax vessels in the market. This has accentuated the decision of entering this segment, with demand outstripping supply.

In a wider scheme, the sea freight futures of dry commodities are seen to grow to USD 150 billion in 5 years from the existing USD 20 billion. Such a market perspective adds confidence to the dry bulk market. There are opportunities in every market and it appears that Sanmar Shipping's re-entry into the dry bulk market has been timely and crucial to the business's growth.



||Cricket Stars from Sanmar||

Sanmar continues to win trophies and shields with predictable regularity this season, the latest feathers to adorn its collective cap coming in the form of the Twenty20 tournament at Kolkata and the VAP Memorial Trophy at Chennai. The Group's outstanding cricketers did Sanmar proud by acquitting themselves creditably at every level of competitive cricket, including the Ranji Trophy and international cricket.



Dinesh Karthik made it to the Indian team and grabbed the chances that came his way rather belatedly in South Africa. Leading India to victory with a swashbuckling innings in the first

Twenty20 match India played against South Africa, he also batted splendidly in

the Cape Town test against South Africa this season. Pushed in as emergency opening batsman, Karthik responded with a fighting, impressive 63. Back in India, he continued to impress in the one-day international series against the West Indies.

The Tamil Nadu selectors rewarded M Vijay of Jolly Rovers, opening batsman for his consistent performances by picking him to open the innings for the state in the Ranji Trophy. Vijay made a stunning start by scoring 179 in the second Ranji Trophy match of his career and following it with yet another hundred later in the season. He already has a total of 628 first class runs to his credit, averaging 52.33. He also scored a hundred in the one-day Ranji Trophy tournament, in which he has an impressive average of 45 runs so far.



Another star find of Sanmar has been off spinner R Ashwin. At 21, just a year younger than Vijay, Ashwin made rapid strides in his debut season in the Ranji Trophy to be named Ceat Indian Bowler of the Year, with a brilliant tally of 31 wickets at a miserly 16.93 runs apiece. His remarkable first season includes two ten-wicket match hauls and four five-wicket innings hauls. Critics see a bright future for the young man if he continues to perform consistently in the years to come.



Winners of the VAP Memorial Trophy: Standing (L-R): S Arun (Scorer), Jayakumar, Satya (Physio), Ram Mohan Rao, Babu (Physio), Bharat Reddy, Vasanth Saravanan, R Ram Kumar, M Vijay, Jesunaj, R Sathish, Huzefa Patel, Abdul Jabbar and Ajay Kudua. Sitting (L-R): Dinesh Mongia, Dinesh Karthik, Vijay Sankar, U Prabhakar Rao, S Badrinath, Hemang Badani and Tinu Yobanan. Squatting (L-R): Petson Mathews, Yugandhar, Sriram, Sunil and Manikandan.

|| Legends from the South ||

Annie Besant

Annie Wood Besant (1847-1933) was a prominent Theosophist, women's rights activist, writer and orator. A Britisher of Irish origin, Annie Besant came to Adyar, Chennai, in 1893, and became an ardent champion of Indian nationalism, besides playing an active role in the Theosophical Society of which she became president in 1907. Her proudest moment came when she was made President of the Indian National Congress.

In Chennai, she is remembered fondly as a great supporter of the city's religious, cultural, political and literary efflorescence in the late 19th and early 20th century. The city boasts several memorials to her including the seaside suburb of Besant Nagar, the Besant Theosophical Higher Secondary School, the Besant Arundale Memorial Senior Secondary School and the Vasanta Press of the Theosophical Society. Besant Montessori School was the first such institution in India, where Maria Montessori herself taught and trained teachers.

Annie Besant was born to William Wood and Emily Morris in 1847 at Clapham, London, on 1st October 1847. Annie's father, a doctor, died when she was only five years old. In 1866 Annie, 19 then, married the Rev. Frank Besant. By the time she was 23 Annie had two children. Annie then left her husband as her religious beliefs began to undergo change.

After their separation, Besant completely rejected Christianity and in 1874 joined the Secular Society. Annie soon developed a close relationship with Charles Bradlaugh, editor of the radical National Reformer and leader of the secular movement in Britain. Charles Bradlaugh gave Annie a job working for the National Reformer and during the next few years wrote many articles on issues such as marriage and women's rights.

In 1877 Annie Besant and Charles Bradlaugh decided to publish *The Fruits of Philosophy*, Charles Knowlton's book advocating birth control. Besant and Bradlaugh were charged with publishing material that was "likely to deprave or corrupt those whose minds are open to immoral influences". Besant and Bradlaugh were both found guilty of publishing an "obscene libel" and sentenced to six months in prison. At the Court of Appeal the sentence was quashed. Besant now wrote and published her own book advocating birth control entitled *The Laws of Population*.

Annie Besant also became friends with socialists such as Edward Aveling and George Bernard Shaw. After joining the Social Democratic Federation, Annie started her own campaigning newspaper called *The Link*.

Besant built close contacts with the Irish Home Rulers and gave them support in her newspaper columns. These were crucial years, in which the Irish nationalists were forming an alliance with Liberals and Radicals. Annie met the leaders of the movement.

For Annie, politics, friendship and love were always closely intertwined. Her decision in favour of Socialism came about through a close relationship with George Bernard Shaw, a struggling young Irish author living in London, and a leading light of the Fabian Society. Annie was impressed by his work and grew very close to him too in the early 1880s.

Unemployment was a central issue of the time, and in 1887 some of the London unemployed started to hold protests in Trafalgar Square. Annie agreed to appear as a speaker at a meeting on 13 November. The police tried to stop the assembly. Fighting broke out, and troops

were called. Many were hurt, one man died, and hundreds were arrested. Annie offered herself for arrest, but the police refused to take the bait.

The events created a great sensation, and became known as *Bloody Sunday*. Annie was widely blamed - or credited - for it. She threw herself into organising legal aid for the jailed workers and support for their families.

Her most notable victory in this period was perhaps her involvement in the London matchgirls strike of 1888. Annie met the women and set up a committee, which led the women into a strike for better pay and conditions. The action won enormous public support. Annie led demonstrations by "match-girls". They were cheered in the streets, and prominent churchmen wrote in their support. In just over a week they forced the firm to improve pay and conditions. Annie then helped them to set up a proper union and a social centre.

In the 1890s Annie Besant became a supporter of Theosophy, a religious movement founded by Madame Blavatsky in 1875. Theosophy is based on Hindu ideas of karma and reincarnation with nirvana as the eventual aim. Annie Besant came to live in Madras but she remained interested in the subject of women's rights. She continued to write letters to British newspapers arguing the case for women's suffrage and in 1911 was one of the main speakers at an important suffragist rally in London.

Soon after becoming a member of the Theosophical Society she came to Madras, India for the first time (in 1893). Together with Charles Webster Leadbeater, whom she had first met in London in April 1894, she investigated the universe, matter and the history of mankind through clairvoyance.

Besant was elected president of the Theosophical Society in 1907 upon the death of the previous president Henry Steel Olcott.

Soon after Besant's inheritance of the presidency, in 1909, Leadbeater discovered Jiddu Krishnamurti—later to become internationally known as a modern day savant—on the private beach attached to the society's headquarters at Adyar. The discovery started years of upheaval in the Theosophical Society in Adyar, as the boy was proposed as the new messiah. Krishnamurti and his brother Nitya were brought up by Theosophists from that moment on.

Eventually, in 1929, Krishnamurti ended up disbanding the Order of the Star of the East, which had been founded to support him and of which he had been made the leader. This destroyed Besant's spirit, as it went against her ideals.

The Home Rule Movement

Annie Besant continued to participate in political struggles. She had joined the Indian National Congress, when it had not yet developed into a permanent mass movement.



Illustration by S Girish

In 1914 war broke out in Europe. Britain needed the support of its Empire in the fight against Germany. Annie said: "England's need is India's opportunity," a clear echo of an Irish nationalist slogan. As editor of the newspaper *New India*, she attacked the (British) government of India and called for clear and decisive moves towards self-rule. As with Ireland, the government refused to discuss any changes while the war lasted.

In 1916 Mrs Besant launched the Home Rule League, based on an Irish model. For the first time India had a political party to fight for change. It built a strong structure of local branches, enabling it to mobilise demonstrations, public meetings and agitations.

In June 1917 Annie was arrested and interned at a hill station. She flew a red and green flag in the garden to show her defiance. Congress and the Muslim League together threatened to launch protests if she were not set free. Annie's arrest had created a focus for protest, giving those who wanted long-term independence for India a chance to work together for a simple, achievable goal.

The government was forced to give way and make concessions. It was announced that the ultimate aim of British rule was Indian self-government, and moves in that direction were promised.

Annie Besant was freed in September that year to a tremendous welcome from crowds all over India. In December she took over as President of the Congress for a year.

After the war, there could be no going back. A new leadership emerged around Mohandas K. Gandhi - one of those who had written to demand Annie's release.

Mrs Besant tried to accommodate Krishnamurti's views into

her life, but never really succeeded. The two remained friends, however, until the end of her life. Annie Besant died on 20 September 1933, survived by a daughter, Mabel.

Annie Besant's books and publications:

- * *The Political Status of Women* (1874).
- * *The Law of Population* (1877).
- * *Marriage, As It Was, As It Is, And As It Should Be: A Plea For Reform* (1878).
- * *Autobiographical Sketches* (1885).
- * "Why I became a Theosophist" (1889).
- * *An Autobiography* (1893).
- * Besant, Annie. *The Devachanic Plane - Theosophical Publishing House, London, ca* (1895).
- * *The Ancient Wisdom* (1898).
- * *Thought Forms* (1901) ISBN 0-8356-0008-4
- * *Bhagavad Gita* (Translation) (1905).
- * Besant, Annie. *Study in Consciousness - A contribution to the science of psychology.* Theosophical Publishing House, Madras, ca (1907).
- * *Introduction to Yoga* (1908) [2]
- * Besant, Annie. *Man and his bodies - Theosophical Publishing House, London, 1911.*
- * Besant, Annie. *Man's life in this and other worlds - Theosophical Publishing House, Adyar* (1913).
- * *The Case for India - The Presidential Address Delivered by Annie Besant at the Thirty-Second Indian National Congress held at Calcutta 26th December* (1917).
- * *The Doctrine of the Heart* (1920).
- * *Occult Chemistry.*
- * *Esoteric Christianity.*

