

## “Katlax products are basic building blocks of automation”

– L R Katrat, Managing Director & CEO, Katlax Enterprises Pvt Ltd

*Katlax Enterprises Pvt Ltd was established in the year 1993 as manufacturer of sensors and automation products, with moderate beginning in a small rented residential apartment. It focused on development of import substitution products for capital equipment manufacturers such as textile, plastic processing machine, printing, packaging, etc. During these years it expanded in terms of product portfolio, customer base and market reach. Today, it operates from state-of-the-art manufacturing facilities located at Santej near Ahmedabad in Gandhinagar District of Gujarat. Mr L R Katrat, Managing Director and CEO, Katlax Enterprises, responded to the IPF Questionnaire for this Special Section on the State. Excerpts:*

*Katlax entered the manufacturing domain with sensors and automation products at a time when automation was not really the ‘in’ thing in Indian manufacturing. How was the initial experience?*

Katlax entered the Indian Automation sector in 1989 with B+K Engineers (BKE) brand when there was not only allergy but psychological resistance to use India-made products by the machine building industry which was controlled through route of collaborations by MNCs with CKD/SKD technology for electronics and control devices. We began our journey in 1989-90 as supplier of Proximity Sensors as import substitute against leading German brands to Indo-German JV – Klockner Windsor (now Windsor Machine). Within the first 4 years, we built a huge basket of products and clients who were primarily importing proximity sensors (inductive, capacitive and photoelectric). It was wonderful time although selling was tough but returns were lucrative because we were in sellers market as solution provider and not product selling company.

*The company has made rapid strides with regular launches*



*of innovative products. Are all these products based on indigenous technology?*

Yes, all our products manufactured in India are developed by our in-house R&D team and we do not have any technical or financial collaboration with any foreign or Indian company. Since Katlax started as a solutions provider company none of our products until recently was conceived for catalogue sale, meaning no product was developed without customer in queue before development. Most of our products are developed on inputs and needs of customers and this character of our business model, Katlax as new product launcher and poor in getting commercial yield on R&D efforts. Only after 2004 we decided and took initiatives in taking basic product development and go for patents.

We now have patents for our ESMS and Smart Sensor. We implemented ESMS solutions on 12000 oil tankers of HPCL, Oil India Ltd and ONGC. We are launching this product globally very soon with collaborative agreements with European and Israel-based companies. We are also pioneers of Data Acquisition System (DAS) for City Gas Distribution and executed the same for Ahmedabad, Vadodara and Ghaziabad for city gas distribution, and with Honeywell for Adani Energy Ltd. Our wireless based solution in networking products (junction boxes) and control instrumentation is futuristic eco-friendly initiative to conserve scarce resources and provide work force with flexibility in commissioning and maintaining automation solutions with cost effective approach. We have developed a number of wireless based products, initially launched at Hannover 2011 Fair in Germany on pilot scale and now at full scale at Automation 2011 exhibition in Mumbai last month.

*What about the compatibility of Katlax products with different automation protocols?*

As I mentioned right at the beginning, all our products were initially developed as import substitution, we had limited or no choice to move from what was/is happening and it was statutory to meet protocols. As automation is going through major transformation like IT hardware, a lot of standardisation is picking up and all manufacturers have to adhere to commonly accepted protocols and terminations standards and we



Interface Products

are consciously developing all our products that can be interfaced to internationally accepted open protocols.

### What is the USP of Katlax products?

To summaries the USP, we have:

- Strong brand equity
- Substantial investment in infrastructure with focus on backward & forward integration
- Committed R&D and manufacturing teams
- Extensive use of IT & ERP for efficient MIS and transparency in operation
- Investment in training & HR practices
- Effective communication with B2B media, trade fairs/exhibitions, advertisements, road show and personal contacts
- More than 20 years manufacturing experience
- Large product portfolio
- Large OEM base comprising the Whose' Who of industry
- Products certified to national & international standards for statutory and non statutory specs
- Accreditations by national and international bodies – ISO, UL, CE, IEC, CMFRI, PESO, BIS, among others
- National presence through Qualified Channel Partners, and
- Export to major markets with Katlax and private labels.

### How strong/effective is the after sales service?

Sensor products are not serviceable; however control and instrumentation products do need some after sale services like calibration and setting and our team does the same. Our products are sold to OEMs who have been well trained to handle our products and we attend most of our service calls at our facilities.

### How does the cost of ownership over the life cycle compare with competition?

Our products are basic building blocks of automation ei-



### Sensors and Field Devices

ther in machine building industry or processes and they have to be more reliable than the final products. The quality of our products is directly linked to quality, cost and reputation of our customers' products hence our products have major role, which cannot be compromised.

Our products are designed for longer life cycle and we do not compromise on quality by cutting cost corners. Our products are competitive in cost in majority cases but not always. Some of our products are comparatively expensive compared to known brands but we are successful and growing company because we have strong customers loyalty attached to our brand.

### Any breakthrough product launch that made a difference?

ESMS products gave us opportunity to build volumes and our interface products provided us with global reach with private label. Our control instrumentation products are recognition of Katlax as automation one stop solution company.

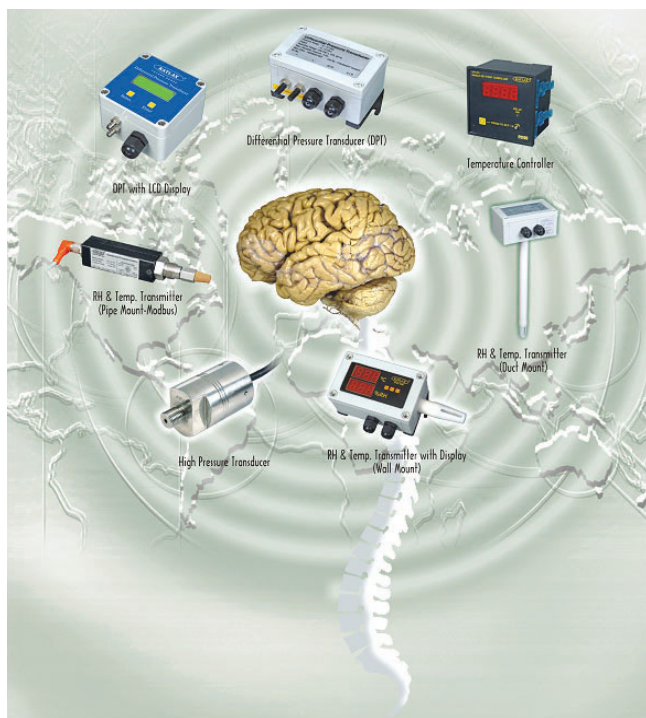
### How is the present business environment?

It's challenging as more and more competition from international players. Since India is emerging market and majority of big economies are facing slowdown, it's tough and going to be tougher as the crisis in US, EU continues. There is rising cost of basic raw materials and labour cost and falling prices with cut throat completion, it is going to difficult times for all and no one has reason to celebrate of stable and profitable market conditions.

### What are the future plans?

We have developed our business model on market friendly product innovations and now by creating SBU concept we are trimming our portfolio and making effective profit centres. We are also aggressively pursuing wireless technology and GeNext products as vulnerability of material cost and labour cost is going to be major area of concern in efficient manufacturing and address eco-friendly approach towards wastage and energy conservation.

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Controllers and Instrumentation Products