Corporate Brand Management: A Case Study of Punjab Chemicals & Crop Protection Limited (PCCPL)

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INTRODUCTION

The World Bank Report 2007 on agriculture titled 'Agriculture for Development' says that greater investment in agriculture in transforming economies like India is vital for the welfare of 600 million rural poor living in these countries, mostly situated in Asia. In transforming economies such as India and China, agriculture contributed an average of 7 percent to growth in GDP between 1995 and 2003. The Agriculture sector accounts for about 13 per cent of the economy and employs just over half of the labour force. The report recommends that in these countries, where 2.2 billion people live in the countryside, agriculture agenda should focus on reducing the disparity between rural and urban incomes and raising the incomes of the rural poor.

The report warns that the international goal of halving extreme poverty and hunger by 2015 will not be reached, unless neglect and underinvestment in the agricultural and rural sectors over the past 20 years is reversed. "Agriculture growth, as shown at the time of the green revolution, can be highly successful in reducing rural poverty in India", said Isabel Guerrero, World Bank country director in India. The report says that agriculture can provide pathways out of poverty for millions of rural poor, who would otherwise be left behind in transforming economies. One way out is through a high value agriculture revolution. Incentives to diversify into high value horticulture, poultry, fish and dairy products via pricing reforms and an overhaul of subsidy support for cereals offer an opportunity to diversify farming systems.

JUSTIFICATION FOR SELECTING THE COMPANY

PCCPL has been selected for the case study because of the following reasons:

- Although the Indian economy is growing at above 9%, but this growth is due to the growth in the service and industry sector. Agriculture has been growing at roughly 4% since the last two years. India is predominantly an agriculture country, and she cannot prosper unless efforts are made to push up growth rate in the agriculture sector. So, agro-based industries hold the key for India's development.
- Due to global warming, there were frequent set backs to crop production, experienced in the shape of abiotic and biotic stresses during the last two decades in several food crops, where intensive farm practices were adopted. Among these stresses on major crops, increased pest populations make the planners and executors helpless. In the past one and half decades, the periodical unabated explosions of aphids, whiteflies, bollworms, pod borers, defoliators, coccids, cutworms, plant hoppers, etc., act as direct crop damagers and disease transmitters in different regions and have made agriculture less remunerative and risk prone. This is a challenge for crop protection industries.
- Further, in the matter of developing a corporate brand, PCCPL is a unique company in its own way. It is spending almost negligible amount on advertisement. Still, it is felt that is has been able to carve a niche for itself in the global market. It has adopted a unique and pragmatic method to popularize its product and company name.

In the light of above, and keeping in mind the importance of crop protection in India and the contribution made by this company, Punjab Chemicals & Crop Protection Limited was selected for a case study.

OVERVIEW OF THE COMPANY

Punjab Chemicals & Crop Protection Limited has a corporate office in Mumbai, the commercial hub of India with excellent communication facilities. It's registered and the head office is located in Chandigarh. Besides other offices at New Delhi, Ahmedabad and Secundrabad, it has manufacturing sites at Derabassi (Punjab), Lalru (Punjab), Chiplun (Near Goa), Pune, and Tarapur. Overseas offices are in West Yorkshire (United Kingdom) and Antwerp (Belgium). Manufacturing units abroad are in Netherlands and Argentina. Punjab Chemicals & Crop Protection's (PCPL) was

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incorporated in 1975 as a joint venture between Excel Industries and Punjab State Industrial Development Corporation. The company began by manufacturing 'Malathion Technical' and its commercial production started on 21^{st} April 1978, but its sales surged in 1980-81. In October 1981, the plant to produce oxalic acid and diethyl oxalate was set up. It regularly expanded its capacity and soon became a leading producer of both products. The company got a major boost in the mid-1990s, when it launched a high-value export-oriented herbicide. It soon became a major producer of this product worldwide. It further diversified into pharmaceuticals when it acquired DSM's stake in Alpha Drugs India (ADIL).

After going through a rough patch during 2000-02, which culminated in a loss of Rs 1.85 crore, the company has bounced back successfully. Top line has grown at a CAGR of 36% and net profit has improved at a CAGR of 82% over the last three years. It has managed this by introducing new export oriented herbicides and by expanding its product range in chemicals by developing high value intermediates mainly for the pharmaceutical sector. The company's product portfolio has also become well diversified and now consists of agrochemicals, industrial chemicals & intermediates and pharmaceuticals.

PCCPL offers its services and products on a global scale, reaching sixty countries in five continents. PCCPL's size-neither too big to intimidate the small Indian manufacturer, nor too small to be overlooked by the giant multi-nationals-plays a very crucial part in winning the confidence of customers. Its pledge to secrecy to protect client interest and fair business practices further strengthens the bond. No wonder, PCCPL is fast carving out a niche in the global market as a "Preferred Indian Partner" for global companies interested in doing business in India. From a small but well-defined presence in 1975, the erstwhile Punjab Chemicals & Pharmaceuticals Limited (PCPL) has now evolved as Punjab Chemicals & Crop Protection Limited (PCCPL), bringing all its divisions-Agro, Chemical & Pharmaceutical-under one umbrella, thanks to an ambitious merger consummated in March 2006. At present, PCCPL has eight state-of-the-art manufacturing sites complying with international standards, strategically located in different parts of India (all ISO 14000 and ISO 9001 certified) and abroad, either directly or as a subsidiary company and commands support from its R&D strengths and unparalleled Pilot Plant facilities.

PCCPL manufactures Agrochemicals, Pharmaceutical Intermediates, API's, Phosphorous Derivatives and Specialty Chemicals. The company's Export Division and International Sourcing Division work in tandem to give quality assistance to our Indian as well as to global customers. The customers are spread over five continents and in sixty countries. PCCPL is not only committed to supply quality products with international standards, but also continuously strives to meet the requirements in today's competitive world, satisfying the needs of every customer within India and around the world. No wonder, more and more global companies look to PCCPL as a preferred Indian partner whom they can trust. The Product range covers:

- Inorganic Chemicals
- Organic Chemicals
- Pharmaceutical & Dyes Intermediates
- Food & Feed Additives
- Specialty Chemicals
- Laboratory Chemicals
- Natural Products & Herbal Extracts

THE VISION

"We visualize PCCPL as a company that pursues its corporate goals related to manufacture and marketing of world class products with industrious, enterprising activity, but without losing the sight of ecological preservation and social responsibility".

THE MISSION

"To innovate and manufacture products in compliance with current Good Manufacturing Practices (cGMP's) for both domestic and international markets, create value for customers and shareholders, and contribute to the welfare of the society."

SWOT ANALYSIS

STRENGTHS

- The major strength of PCCPL is its low-cost manufacture, applied research and extensive distribution.
- PCCPL appears to be shifting focus from a product-oriented to a "crop solutions" approach. That is, instead of offering different brands, the company identifies target crops, for which it offers a comprehensive package of "solutions."
- Companies have also been working at strengthening the linkages with the farmers through extension and advisory services.

WEAKNESSES

- There is an acute global competition in the crop protection industry.
- Huge expenditure is involved in seeking registration of products for marketing and production in India and abroad.
- Since the formulation of agro-chemicals is available in various mixtures, therefore, the quality of other raw materials added to the mixture has to be trustworthy.
- The advertisement of the brand and making it familiar with farmers is a very tedious job.
- National and international policies on the use of agro-chemicals also play a significant role in the promotion of its products.

OPPORTUNITIES

- After a recent bout of consolidation, the multinationals in the business are busy integrating their operations, re-aligning their product portfolios and rolling out new products. PCCPL, which has set its sights on the export markets for its products, is high on the emerging opportunities.
- Research and development does not mean the use of laboratories only; it includes field work also. There is an opportunity for PCCPL to improve its R/D techniques to get more opportunities. It needs to invest heavily in R/D.
- Another area of opportunity is educating the public. An educated and informed public can have their worst fears eliminated after interaction, which improves brand equity and loyalty of its product and its corporate image.

THREATS

- Updating current equipment is very expensive.
- The company's plans are very ambitious compared to its current size and their success will depend on the management's ability to execute and integrate the acquisitions.
- Maximum raw material is coming from China, whose market is very fragile. So, policies of Chinese Government will affect the future of this company.
- Life cycle of product (brand) is sometimes very short.

CORPORATE BRAND MANAGEMENT INFRASTRUCTURE

With eight strategically located manufacturing plants across the breadth of a giant peninsula like India, the company is in a unique position to exercise complete logistic control over its operations from processing raw materials to handling diverse reactions, and from manufacture to shipment. The scattering of plants also ensures that the production process is never hindered due to vagaries of climate, supplies, markets or labor problems.

INTERNAL BRANDING

Management philosophy of PCCPL has shown an increasing realization of the importance of customer focus and customer satisfaction. As mentioned by Mr. Punit K. Abrol, Vice-President (Finance) and secretary of PCCPL, “Feeling the pulse of a customer is very important for us and if the customers are not satisfied, they will eventually find other suppliers that will meet their needs. Poor performance from this perspective is thus a leading indicator of future decline, even though the current financial picture may look good. In the light of this, we manufacture as per the requirement of our customers". Further, he said that in developing metrics for satisfaction in PCCPL, customers are analyzed in terms of kinds of customers and the kinds of processes for which we are providing a product or service to those customer groups. After determining the requirement of a customer, innovation is used to develop the required products. This customer perspective enables PCCPL to align their core customer outcome measures- satisfaction, loyalty, retention, acquisition and profitability- to targeted customers and market segments. It also enables them to identify and measure explicitly the value propositions representing the drivers- the lead indicators for the core customer outcome measures.

Internal branding at PCCPL is ensured in the organization in three steps:

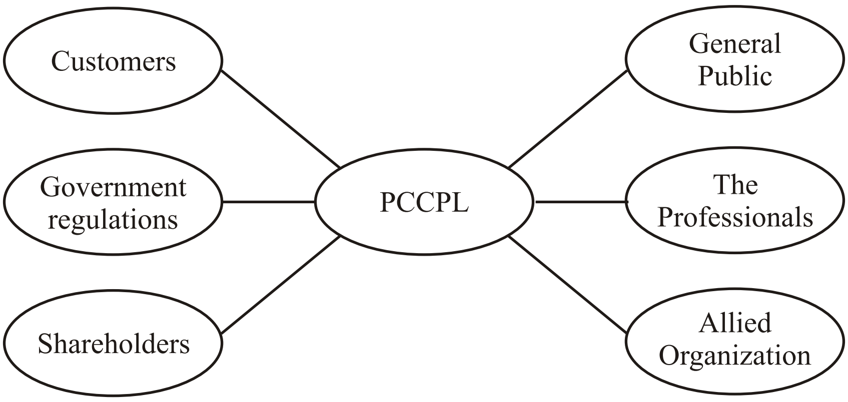
1) The marketing team works closely with the Human Resource team to ensure that the common values of the company are synchronized internally as well as externally.

2) The criteria for recruiting and rewarding employees should be aligned with the criteria of the brand value, looking for the right skills and aptitudes that will represent their brand promise effectively.

3) Using internal communication to reinforce and explain the values and behaviors that reflect the brand promise. It is the endeavor of the management to continuously endeavor this until it becomes a second nature.

ORGANIZATIONAL STRUCTURE

PCCPL is like a living organism. At the end of every nerve fiber, there are individuals who are connected with the nerve center, the mobile head office and processor operating in Chandigarh. The organizational structure is manned by professionals with progressive outlook and innovative thoughts.



Organizational structure acts as a conduit for making connections between the various society activities. At PCCPL, organizational structure is interlinked with various organs. While innovating products, the Research and Development department focuses on the requirement of customers and public at large, shareholders need appreciation in the market price of share and dividends; government regulation has to be kept in mind while making registration of products. It has to interact with different organizations. All these interactions result in more productivity and therefore, brand loyalty.

PROBLEMS ENCOUNTERED AND CORRECTIVE ACTION UNDERTAKEN

The major problem is with regard to registration of products either for manufacturing or for marketing. Although in other sectors, liberalization is a buzz word and there is no need to get a license for manufacturing products, but there is a lot of regulatory permission required from state/central government in this crop protection industry. There is a Central Insecticide Board of India (CIB) and every application for different processes and products has to be routed through this board. For supplying information and collection of data for submission to CIB, huge investment is required. Further, all countries have its own registration procedure, and it is really a problem area. Regarding measures adopted to counter this problem; management of PCCPL takes it as a challenge and tries to adapt to change quickly. It has designed its R/D department in such a way that it is able to meet the requirement prescribed by the authorities in time. Hence, no time is wasted in bureaucratic hurdles, and it also saves cost.

PLANNING ASPECT

BRAND POSITIONING

The focus of PCCPL is on Research & Development (R&D) as it is felt that through R and D, they can create a global position for themselves. The activity of the Research & Development (R&D) department can be summed up in just one word: INNOVATION. So, R&D is a primary objective. Whether it is to enhance a product's viability, its quality, or refining it to suit a client-specific requirement, the management of PCCPL can count on its highly talented R&D team to come up with innovative solutions. Some of the finest scientific brains in the business are hired by PCCPL, and they are encouraged to work their grey cells in an environment that gives a free rein to their creative freedom. Equipped with a state-of-the-art laboratory, its R&D team constantly monitors the rapidly changing needs of the market and offers tailor-made, cost effective solutions in the form of newer products and processes. For many years now, the most remarkable feature of its R&D department has been its willingness and resourcefulness to solve their clients' chemistry issues, especially related to the process of manufacture. Due to extremely cost effective solutions devised by its R&D, this company has always been in a position to offer hassle-free Pilot Plant facilities to its clients over the years. The genesis of any great product idea, process or reaction calls for a meticulously conducted laboratory execution under pilot conditions. The R&D team of PCCPL simply excels when it comes to the design, set up and control of the Pilot Plant that successful execution paves the way for a large scale launch of the product. To add to their engineering and designing skills, their clients can also count on its excellent facilities and infrastructure, including the state-of-the-art laboratory equipments.

BRAND IDENTITY

Brand identity is the total proposition that a company makes to consumers - the promise it makes. It may consist of features and attributes, benefits, performance, quality, service support, and the values that the brand possesses. Brand identity is everything the company wants the brand to be seen as. The best that such changes can do is to reassure consumers that the company is concerned about how it looks. In order to create brand identity, PCCPL focuses on farmers (their customer) at the ground level. The company is very much concerned with how customers perceive their products.

The most persistent trait of PCCPL that pervades all dimensions of business philosophy is their consistent commitment to quality products. Mr. Shalil Shroff, Managing Director of PCCPL said, “Our numerous customers from five continents and sixty countries have been vouching for that for over 30 years now. Commitment to quality is a way of life at PCCPL, and these are not just empty words. What has won our products recognition the world over is the fact that our definition of “Quality” means “taking into account customer's requirements and expectations, keeping price at its competitive best, without losing the sight of environmental welfare.”

Driven by the commitment to offer complete customer satisfaction, PCCPL also goes an extra mile to devise and manufacture tailor-made products for customer's specific needs. To them, no product idea is mean, and no customer is small. They are committed to producing quality products as per customer's requirements and expectations at competitive prices with a sincere concern towards environment & employees' welfare. They are also committed for continuous improvement on the quality of all the products by setting and reviewing the quality objectives. When it comes to Crop Protection products, PCCPL is second to none. The list of satisfied customers spans across five continents and 60 countries, and is growing at a pace that keeps all their plants busy despite continuous upgrade and expansion.

To popularize its products, PCCPL participates in a lot of exhibitions and trade fairs in a big way. This company has its own way to popularize its name. The company tries to have an interaction with farmers, who are the users of their products. That is because at PCCPL, the concerns of the agricultural industry are very well understood. The objective is to offer not just products-but Crop Protection Solutions. The focus is always on developing products that can offer the desired protection without compromising either the economic efficiency or the environmental balance. The workforce strength numbers 550, all of them dedicated, trained and skilled at their job of manufacturing world class Crop Protection Products.

OBJECTIVES

The objective of PCCPL is to position itself as a globally respectable company. In fact, it wants to create and further improve its image in India, Europe and other Western countries. PCCPL as a company pursues its corporate goals related to manufacturing and marketing of world class products with industrious, enterprising activity, but without losing the sight of ecological preservation and social responsibility.

BRAND STRUCTURE

Every company is different, but a company's brand structure must come from a clear understanding of its business strategy, its capabilities and the marketplace. To navigate through the issue, the two components of brand structure need to be considered: brand hierarchy and relationship structure.

The brand hierarchy of PCCPL is such that their total impact helps the overall organization to achieve its goals. Over a period of time, PCCPL has developed its brand. The other component is relationship structure, or the link between brands and the sub-brands. The challenge for PCCPL is to treat each brand and sub-brand with the importance it deserves while still maintaining the scope and breadth of the overall organization in the company's communication.

DOING ASPECT

ADVERTISING AND PROMOTION

Typically, other companies try to create a brand position through advertising and promotions in an attempt to influence customers' perceptions of their brands. However, PCCPL spends a negligible amount on advertisement. The philosophy of the company is to find different ways to position their brand. It interacts with farmers either by meeting them in fairs/exhibitions or going to them in fields. By listening and directly interacting with their customers and making changes to suit their requirements, the company believes in building a brand position. Further, it is felt that in today's world of busy schedules and nonstop messages, it is impossible to position their brand by way of advertisements. In fact, the company is following a reactive strategy because it requires them to *listen* to their customers. This reactive strategy is an effective strategy particularly dealing with farmers as they can give direction for development of different products in the future.

NEW PRODUCT DEVELOPMENT

In the highly competitive international pharmaceutical market, the need to remain at the forefront of new product development makes ongoing research and development the heart of the pharma unit. It has the capability to develop process technology on a contractual basis and for the exclusive manufacture of fine chemicals & API. With an experienced and reliable team dedicated towards its objectives under the new restructured pattern, the division is poised to grow and could become an ideal partner in fine chemicals & API sourcing.

The company was a pioneer in the manufacture of import substitute intermediates for semi synthetic penicillin and has a very responsible position in the anti bacterial drugs in India. Having merged with the parent company PCCPL as its Pharmaceutical & API division, the unit has been a leader in its product segment with international quality standards. It manufactures API like Trimethoprim, Fluconazole, etc. and today holds a significant share for Trimethoprim market with customers across the globe. The division also produces a range of derivatives from Gallic Acid. Punjab Chemicals & Crop Protection Ltd.'s prompt responsive actions within time shipments backed by international standard quality spoke for itself & brought back the satisfied customers looking for their requirements of other products from India, also to be sourced via PCCPL. Thus, the International Trading Division was born in 1995 and today, it is a full-fledged department handling a diversified range of products, with a thrust on niche products for the sunrise industries in its field. Univar, Molekula, Ubichem, Charkit, Nagase, Organica to name a few, is the customer base to whom the division exports among different countries like USA, UK, Germany, France, Netherlands, Taiwan, S. Korea & Japan.

With the changing economic scenario, different countries across the globe are now a market for the small entrepreneurs in India, who produce highly advanced quality molecules, but are not exposed to these markets. PCCPL - International Trading Division plays a key role here, with its international exposure and with their resources of the in-house technical team to develop such products according to international standards wherever required, and also check the quality independently in their own laboratories. Thus, working as a co-partner with such entrepreneurs, the division sustains high quality, low prices and on-time deliveries as its commitment to their customers and pursues the goal of excellence in its operations and business control. The good relations with their business partners / consumers where PCCPL sells its own manufactured products and presence of marketing offices at these major industrial locations in India also gives PCCPL a competitive edge.

Punjab Chemicals & Crop Protection Ltd. acquired a ten million dollar company, "Sintesis Quimica" in Argentina, thereby expanding its manufacturing base outside India.

"Punjab Chemicals & Crop Protection Ltd., have recently entered into Agreement with a US Company and now has formed its own subsidiary in the US for distribution of its Agrochemical Products. The Company, PSD Chemicals LLC will hold all Punjab Chemicals & Crop Protection Ltd. registrations in the US."

The company plans to grow through the inorganic route. It is planning to increase its portfolio of registered products in the high margin foreign markets by acquiring companies in overseas markets. This will also present an opportunity to shift manufacturing to India that has a cost advantage. The company proposes to fund these acquisitions through a mix of debt and equity. It has already convened an EGM and received shareholders' approval for raising Rs 400 crore through various instruments like GDRs, FCCBs, private equity and structured debt. It has also allotted 8.33 lakh preferential convertible warrants to the promoters at Rs 231 per share aggregating to Rs 19.24 crore.

The company has merged its group companies STS Chemicals and Alpha Drugs with itself in order to broad base its product portfolio and also to benefit from the synergies of a consolidated entity. It has established itself as a reliable supplier and has contracted manufacturing arrangements with leading MNCs. Its clients include reputed multinationals like Bayer, Dow, Ranbaxy Labs, Nufarm, etc. With a well-diversified portfolio, the company is now less sensitive to a downturn in any single product category. The company has developed a couple of new products for the export market and is expected to launch them in the third quarter of the current year. The company has recently acquired IA & IC Chem, which has a state-of-the-art agro-chemical formulation facility, giving it a footprint in the domestic agro-chemical formulations market. It has ambitious plans for the local market and will be introducing new generation herbicides and fungicides. This acquisition will also help to reduce transportation costs as well as ensure faster delivery to its distributors since the plant is located in Maharashtra.

Punjab Chemicals and Crop Protection Ltd (PCCPL), an agrochemical company, said that it has acquired the Netherlands-based Pegevo Beheer BV for €39.5 million (Rs 225 crore). Pegevo undertakes substance formulation for crop protection with a product range of herbicides, insecticides and fungicides. Pegevo's products are registered in the Netherlands, Belgium, the UK, France, Germany, Ireland, Denmark, Italy, Slovakia, Czech Republic, Belarus and Switzerland.

Pegevo is organised as a holding company with different subsidiaries undertaking production, trading and facilities management activities. Pegevo (AgriChem) has a crop protection registration department, in-house R&D and quality control facility and its own formulation facilities. Mr. Shalil Shroff, Managing Director, PCCPL, said, “With this acquisition, we are looking at entering the EU market with our own formulation brand. With a second acquisition within a year, we are looking at capitalizing on registrations throughout our overseas markets.” Excellence in value added services- that's what makes PCCPL a competitive new force in chemicals and pharmaceuticals. As an Asian Company, PCCPL has emerged as a healthy product in India's competitive arena.

CHANNEL MANAGEMENT

Deliver the right products to the right people is the motto of PCCPL. Once key customer segments have been identified, there is a need to develop channel management strategies that address customer needs and take full advantage of new sales channel opportunities today and into the future. By linking customer information to market segments and consumer behavior knowledge, PCCPL believes in gaining critical customer insight and identify the most profitable sales channels that allow the company to reach and acquire the most profitable customers. The focus of PCCPL is on customers, developing its market and its delivery channels. It is believed that the better delivery channels satisfy customers' needs, the more likely it is that a company will retain its customers. Customized sales channel management analysis throughout its entire network and delivery system isolates consumer and product potential by sales channel, both site and non-site.

PRICING STRATEGIES

Earlier, PCCPL was adopting cost plus profit mechanism to fix its prices. Now, the management is shifting to target pricing. Under this, first of all, it is important to observe what the customers want and how much customers are willing to pay for the product. From this target price, desired profit is deducted to arrive at the expected and targeted cost. Efforts are then made to produce products within that budget. PCCPL is registering new and innovative products every year, and the new products are cost effective and as per the requirement of the customers.

TRACKING THE RESULTS OF PCCPL

From its inception in 1975, PCCPL's nature of being people and service oriented coupled with dynamism and foresightedness of its team has enabled it to be positioned in the 'top bracket', both in the local and international market. The PCCPL team of 450 is one that forms every brick of that powerful fort. These dedicated people with progressive outlook are the people behind the curtains who serve the company and have made its mission a success. At PCCPL, they realize and cherish powerful and forceful human resources and ardently try to get coherency between their needs to match with those of the organization.

FINANCIAL POSITION

For FY07, PCPL reported a turnover of Rs 325.9 crore while it was 267 crore in FY06. The operating profit for the FY07 and FY06 is Rs.30.5 crore and Rs 27.9 crore respectively. The Net profit of Rs 16.7 crore works out to an EPS of Rs 25.34. It has healthy EBIDTA margin of 10.38% and net margins of 6.26%. The equity capital has gone up to Rs 6.59 crore subsequent to the three-way merger. The FY08 revenues were expected to grow to Rs 480 crore, with an increase in net earnings to Rs 22.5 crore, resulting in EPS of Rs 30.31 crore on expanded equity capital of Rs 7.42 crore post-conversion of warrants issued to the promoters. These estimates are standalone and the consolidated figures post international acquisitions could be higher.

Punjab Chemicals & Crop Protection's (PCCPL) ambitious plans including overseas acquisitions and a foray into the domestic agrochemical formulations market could catapult it into an Indian MNC. Its performance over the past three years has been impressive. Top line grew at a CAGR of 36% and bottom line jumped at a CAGR of 82%. The scrip is currently trading at a P/E of just 6.51x FY06 EPS of Rs 25.34 and 5.44x FY08E EPS of Rs 30.31. The company is rated as an OUTPERFORMER with a price target of Rs 242 for an investment horizon of 12-15 months. The agro-chemical sector should continue to show strong growth since prices of agro commodities are in the midst of an ongoing global commodity boom. The benefits of the consolidation exercise will be visible from the current year and along with the international foray should lead to a re-rating of the stock. PCPL is available at 6.51x FY06 earnings and 5.44x FY08E earnings, which we feel is extremely attractive. The company has a consistent track record of dividend payment. For FY06, it has announced 40% dividend and the scrip is trading cum-dividend. At the current price, the dividend yield is 2.40%.

EXPERIENCES AND LESSONS LEARNED

Punjab Chemicals and Crop Protection Limited (PCCPL), being on the industrial map for the last 30 years, has slowly and steadily built and popularized its name with the following initiatives:

- Innovation.
- Launching the product after thorough study of customers' requirement for its further use.
- Continuous up gradation / improvement in the processes and quality to optimize the cost and use.
- Continuous study of the products to be manufactured for its use.
- Once the product is launched, ensuring that it is delivered on time with assured quality.
- Competitive prices.
- Personal interaction with the customers on day to day basis for taking feedback.
- The Company was manufacturing most of the technical chemicals upto 2005. Therefore, its customer base was limited. No doubt, the clients were the companies having bulk consumption.
- However, now the Company has entered into manufacturing and dealing in formulated agro chemicals, which require need based publicity of the products at a particular area. This involves a limited expenditure on making its brand popular among a particular community.
- Personal interaction of the top management including the Managing Director. Follow up with the customer and dealers; data generated and reports under ISO help in understanding the requirements of the customers.
- To establish a brand in the market, the company including all its employees have to adhere to tight time schedules,

presence of mind, forward thinking and continuous interaction with the technical, commercial and managerial experts.

Team work of the Company's employees was one of the main factors to create and improve the brand of the Company day after day. The management always acknowledges and appreciates the initiative and efforts of its employees and considers them to be the real brand ambassadors of the Company and its products. The confidence of the employees on the quality of the products enables them to speak very highly of the Company. The quality of life provided to the employees of the Company motivates them to work hard, smart and with self esteem. The management considers employees to be the biggest asset of the Company, and they are the pathfinders of the company's success. The Company has taken required initiatives to update employees with the latest technology in hardware, software and in process technology. PCCPL was always ahead in thinking about the global requirement of pollution control, taking care of the surroundings of the Company, taking up the social responsibilities of medical and healthcare in the nearby villages of the units. This has not only created the goodwill among the employees, but among the local population of that area. The employees have the privilege to share their personal family problems with the welfare team of the Company and seek their advice to sort out the same.

The exposure to employees by way of various training programmes, in-house and outside; regular seminars and exhibitions at national and international level have broadened the employees' vision. The experience gained by them with the up-gradation of latest technology and knowledge on the petty as well as big matters helps them to perform their duties with perfection.

Thus, PCCPL is a value driven, dependable and reliable company.

Annexure 1: Results of PCCPL

Type	**Audited**	**Audited**	**Audited**	**Audited**	**Audited**
Date Begin	**1-Apr-06**	**1-Apr-05**	**1-Apr-04**	**1-Apr-03**	**1-Apr-02**
Date End	**31-Mar-07**	**31-Mar-06**	**31-Mar-05**	**31-Mar-04**	**31-Mar-03**
Gross Sales	**3259.1**	**2669.3**	**1691.9**	**1260.7**	**1055.8**
Excise Duty	-170	-151.9	-60.3	-42.8	-41.4
Net Sales	3089.1	2517.4	1631.6	1217.9	1014.4
Other Income	136.1	147.4	12.7	14.8	6.6
Total Income	3225.2	2664.8	1644.3	1232.7	1021
Expenditure	-2919.9	-2386	-1466.2	-1107.3	-934.7
Operating Profit	**305.3**	**278.8**	**178.1**	**125.4**	**86.3**
Interest	-123	-76.7	-43.3	-31.9	-21.6
Gross Profit	182.3	202.1	134.8	93.5	64.7
Depreciation	-70.3	-65	-21.7	-20.9	-19.8
Profit before Tax	112	137.1	113.1	72.6	44.9
Tax	-37.9	31.6	-39.9	-20.5	-16.7
Profit after Tax	**74.1**	**168.7**	**73.2**	**52.1**	**28.2**
Extraordinary Items	-	-	8.9	-	-
Prior Period Items	-6.3	-1.7	-1.8	-0.1	-0.8
Net Profit	67.8	167	80.3	52	27.4
Equity Capital	65.9	65.9	43.1	21.6	21.6
Reserves	738.3	690	262.9	223.8	184
EPS	**10.29**	**25.34**	**18.62**	**24.12**	**12.7**

Annexure 2: Key Financial Ratios

	2007/03	**2006/03**	**2005/03**	**2004/03**	**2003/03**
EPS	11.38	32.44	18.62	24.12	12.70
CEPS	22.05	47.52	23.65	37.28	22.32
Book Value	122.49	170.90	71.79	113.83	95.35
Dividend/Share	2.50	4.00	4.00	5.00	2.50
OPM	8.03	3.81	10.18	9.80	8.27
RONW	6.15	18.97	28.77	20.09	13.71
Debt/Equity	1.63	1.65	1.45	1.54	1.23
Ratio	2.08	2.33	2.08	2.03	1.72
Interest Cover	2.28	3.63	4.08	3.91	3.70

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Sales break up

Product	Agrochemicals	Industrial Chemicals & Intermediates	Pharmaceuticals
% of sales	58%	31%	11%

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