Introduction of ICI Paints Pakistan

Introduction

ICI Pakistan limited is an associated company of Imperial chemical industries Plc. UK. It is the largest manufacturer of a wide variety of Decorative and Industries Paints in Pakistan.

ICI paints aims to delight and inspire customers to transform their surroundings at home and work with performance products and colors. With some of the world’s top paint and decorative product brands, serving both the professional and DIY markets, ICI Paints has products to prepare and care for all building materials. The business also provides coatings for cans and packaging. Headquarters in the UK, with manufacturing in 25 countries:

- Architect
- Consultant and Design Engineers
- Quantity Surveyors
- Corrosion Engineers and consultants
- Steel Fabricators
- Painting Contractors
- Civil, Structural and site engineers
- Maintenance Engineers
- Interior Decorators

At ICI they believe that their job does not stop at merely supplying the paints: is important to them as it is to the user that good results should be obtained from their products. We set great value to their technical Service Department, which is staffed by individuals of wide practical experience in the use of paint under all conditions. This experience is readily available to paint users requiring advice and assistance in the choice of paint to the preparation of painting specifications.

Supporting the technical Service Department is the Development Laboratory whose equipment and facilities are the finest of their kind in this part of the world. Here new and established products are tested in both laboratory and fully practical conditions, using the widest possible range of application methods and equipment.
Their products are based on continuous research and product development carried out by their parent company ICI Paint Division UK. The information derived and results obtained by ICI Development Laboratory are readily available to them here. ICI is employing and putting into use best available technology in the world for their users.

Some Facts and Figures

- 50 million households, all over the world, use ICI paints every year.
- Each year ICI Paints produces enough paint to decorate every house in all of Los Angeles, London and Beijing.
- ICI Paints makes enough paint to completely cover 2.8 million football pitches.
- ICI Paints produces 1.1 billion liter of paint which if in 1 liter cans placed on top of on another, would be 13,000 times the height of Mount Everest.
- ICI Paints sells to over 100 countries throughout the world.
- Over a third (35%) of ICI Paints’ business is represented by new products introduced in the last five years.
- ICI Paints are used in countries which represent over 95% of the world’s population.
- ICI Paints prides itself on being at the forefront of innovation: we employ 680 people worldwide in Research and Development.
- ICI Paints spends over £30 million per year on Research and Development worldwide.

Decorative Business

Handy Tips for Color Scheming from Dulux

Choosing the right color is not always as straightforward as you might think.

When decorating is there any rules about choosing a color scheme?

How does light affect the way we view color?
Are there any simple tips for trying out the color without painting the walls?

Choosing a Color Scheme:

A little time spent thinking about the color scheme before you start will ensure you achieve the look you want.

Aspect:

Which way does the room face, is it too warm or too cold. Pinks, peaches, apricots and sunny yellows can warm up even the coldest, north facing room - likewise blues, greens; lilacs and aqua's can cool down a hot, south facing one.

Sample Boards

Changing your mind before you start is easier and cheaper than after you have finished. On a piece of white card stick samples of all the paint colors, fabrics, wallpapers and carpets chosen. This allows them to be looked at in both natural and artificial light giving a good impression of the finished effect. Use colors in direct proportion to how they will be used in the room i.e. a large area of wall color, a smaller area of door color and a tiny amount of picture rail color.

Ceilings

All to often a pure white ceiling can look as if a ‘lid’ has been put on the room. Try using a Natural Hint shade for a more natural and coordinated effect. This creates the feeling of the ceiling having been tinged by sunlight - Rose White with pink walls, Apricot White with peach walls, Apple White with green walls etc.

Furnishings

Use your curtain fabric, chair covers or carpet as the starting point for your color scheme. Try a paler shade of your carpet color for the walls or a softer version of one of the print colors in your curtain fabric. Use an appropriate Natural Hint for the ceiling.

Collections

If you collect and display something - china plates, porcelain figures, floral prints etc use their colors as the basis for your room scheme. This will give a unified look - it is one of the tricks often used by interior designers.
Blend and Tone

This type of scheme makes the most of small spaces as there are no harsh contrasts to jar the eye. Use three tones of one color for walls, ceiling and woodwork. The palest on the ceiling, the middle one on the walls and the deepest on the skirting boards and door frames. If your room is too high change the colors around to make the ceiling appear lower - the palest color on the walls and the middle one on the ceiling.

Harmonious Schemes

Try using three closely related colors for a soft and interesting look that is still airy and spacious - buttery yellow, apricot and peach, or lilac, blue and aqua. This type of scheme can create a very relaxed atmosphere.

Contrasting Schemes

Use two opposite colors to create a more dramatic effect or to reduce the size visually of a large barn like room – pink and green, peach and aqua, yellow and blue. Use different tones of each of the colors i.e. pale pink with a mid-toned green or soft light green with burgundy red. This difference in tone helps the eye to ‘accept’ the contrast.

Bedrooms

Fresh pastel shades are a good solution for bedrooms as they are fresh and sunny to wake up to but calming at the end of the day. Think of colors that are conducive to rest and relaxation - soft pinks, lilacs, blues and greens.

Halls, Stairs and Landings

These areas can be cold, dark and difficult to decorate as there are so many doors, corners and angles. Use a rich warming shade to both unify the space and create a sense of warmth and welcome - terracotta, plum, deep coral, apricot etc. Keep door frame and wall color quite close so that the area doesn't look too fragmented.

Kitchens

These tend to be hot, busy places with never enough space. Use pale blues, greens or yellows to create a look that is light, airy and spacious. Try stronger versions of these colors for a look that is more Mediterranean in mood.

Bathrooms

www.vuzs.net
http://groups.google.com/group/vuzs
Pay particular attention to color and lighting - colors not flattering to bare flesh can have a very dispiriting effect first thing in the morning. Cool fluorescent lighting can give a grey appearance to both skin tone and wall color. Chose sunny, fresh pastels such as yellow, peach, aqua and clean pink for a cheerful atmosphere.

Living Rooms

This area of the home tends to get used more in the evening than in the daytime so it is important to consider this when choosing a color scheme. Go for shades that are relaxing and warm, colors that create a sense of comfort - apricot, peach, terracotta, coral, soft greens or deep pinks. Add dashes of contrasting color in accessories - lamps, cushions etc - to lift the scheme and bring it to life.

Paint Charts

Always, when choosing paint shades, hold the card in an upright vertical position rather than having it flat on a table. This gives a better impression of what the colors will look like in your room because of the way the light hits them. Colors held vertically will always appear darker than if viewed horizontally - try it and see.

Remember that a strong color in a color chart will look much darker and stronger when applied to a large area. Color perception is the single biggest cause of disappointment when color scheming. Use paint tester pots to try out colors before you commit yourself to buying the paint and decorating the whole room.

Product Line
Products

1. Dulux Super Gloss Enamel
2. Dulux Metallic Finish Enamel
3. Dulux Matt Finish Enamel
4. Dulux Synthetic Enamel Fan Finish White
5. Dulux Pentalite Special Plastic Emulsion (Acrylic Based)
6. Dulux Pentalite Natural White Special Plastic Emulsion with Added Fragrance (Acrylic Based)
7. Dulux Contractor's Plastic Emulsion
8. Dulux Weather Shield (Acrylic Based)
9. Dulux Prime-on
10. Dulux Water Repellent
11. Dulux Synthetic Clear Varnish
12. Paintex Plus Emulsion
13. Maxilite
14. Dulux Red Oxide Anti Corrosion Metal Primer
15. Dulux Aluminum Paint Dual Pack

Dulux Super Gloss Enamel

Dulux Super Gloss Enamel is a high quality solvent-based super gloss finish, suitable for use on all types of interior and exterior wood and metal surfaces. Dulux Super Gloss Enamel gives a smooth mirror like finish and has excellent durability. Generally resistant to heat up to 90 C, but some discoloration of light colors may occur at temperatures above 80 C.

www.vuzs.net
http://groups.google.com/group/vuzs
Resistant to the levels of atmospheric humidity present in normal interior and exterior environments and will withstand repeated washing. Not suitable for use on immersed surfaces. It can be applied through Brush, Roller or Conventional Spray and it is highly flammable.

**Dulux Metallic Finish Enamel**

Dulux Metallic Finish is a high quality solvent based super gloss finish, suitable for use on all types of interior and exterior wood and metal surfaces. Dulux metallic Finish gives a smooth finish and excellent durability. Generally resistant to heat up to 90 C, but some discoloration of light colors may occur at temperatures above 80 C.

Resistant to the levels of atmospheric humidity present in normal interior and exterior environments and will withstand repeated washing. Not suitable for use on immersed surfaces. Spray is the only way to apply and it is highly flammable.

**Dulux Matt Finish Enamel**

Dulux Matt Finish Enamel is a high quality solvent-based matt finish, suitable for use on all types of interior wood, metal and masonry surfaces. Dulux Matt Finish Enamel has excellent resistance to steam and moisture, which makes it ideal for use in Kitchens and Bathrooms. Generally resistant to heat up to 90 C, but some discoloration of light colors may occur at temperatures above 80 C.

Resistant to the levels of atmospheric humidity present in normal interior and exterior environments and will withstand repeated washing. Not suitable for use on immersed surfaces. It can be applied through Brush, Roller or Conventional Spray and it is highly flammable.

**Dulux Synthetic Enamel Fan Finish White**

Dulux Synthetic Enamel Fan Finish White is a high quality, high gloss solvent based finish, suitable for use on all types of fans. It has good adhesion and resistance to mechanical damage. Generally resistant to heat up to 90 C, but some discoloration of light colors may occur at temperatures above 80 C.

Spray is the only way to apply and it is highly flammable.

**Dulux Pentalite Special Plastic Emulsion (Acrylic Based)**

[www.vuzs.net](http://www.vuzs.net)  
[http://groups.google.com/group/vuzs](http://groups.google.com/group/vuzs)
Dulux Pentalite Special Plastic Emulsion (Acrylic Based) is a high premium quality emulsion with a smooth matt finish. It is suitable for all normal interior masonry surfaces including brickwork, plastic, cement and wallboards.

Will tolerate the levels of atmospheric humidity present in normal interior and exterior environments. It can be applied through Brush, Roller or Conventional Spray, which is convenient to you.

Dulux Pentalite Natural White Special Plastic Emulsion with Added Fragrance (Acrylic Based)

Dulux Pentalite Natural White Special Plastic Emulsion with Added Fragrance (Acrylic Based) is a premium quality emulsion with a smooth matt finish, which contains fragrance. It is suitable for all interior masonry surfaces including brickwork, plastic, cement and wallboards.

Will tolerate the levels of atmospheric humidity present in normal interior and exterior environments. It can be applied through Brush, Roller or Conventional Spray, which is convenient to you.

Dulux Contractor’s Plastic Emulsion

Dulux Contractor’s Plastic Emulsion is a premium quality emulsion with a smooth matt finish, which contains fragrance. It is suitable for all interior masonry surfaces including brickwork, plastic, cement and wallboards.

Will tolerate the levels of atmospheric humidity present in normal interior and exterior environments. It can be applied through Brush, Roller or Conventional Spray, which is convenient to you.

Dulux Weather Shield (Acrylic Based)

Dulux Weather Shield (Acrylic Based) is a high quality, 100% acrylic based emulsion for new or previously painted exterior masonry surfaces such as brickwork, plastic and cement fastness.

Resistance to the levels of atmospheric humidity normally experienced in exterior environments. It can be applied through Brush, Roller or Conventional Spray, which is convenient to you.
Dulux Prime-on

Dulux Prime-on is a solvent based sealer for interior and exterior masonry surface both new and previously decorated such as brickwork, plaster and cement. It reduces damage form alkali and salts and seals powder, porous surfaces.

Not suitable where the surface is saturated. It can be applied through Brush, Roller or Conventional Spray, which is convenient to you.

Dulux Water Repellent

Dulux Water Repellent is an excellent protective barrier against moisture for unpainted surfaces. It penetrates the surface and acts as an effective guard against water. It is suitable for brickwork, concrete, plastered surfaces, unglazed tiles and sand-cast surfaces. Dulux water Repellent is not recommended for surfaces in constant with water, like tanks to masonry surfaces below ground level like basement etc.

It can be applied through Brush or Conventional Spray, which is convenient to you and it is highly flammable.

Dulux Synthetic Clear Varnish

Dulux Synthetic Clear Varnish from Dulux is a solvent-based varnish suitable for use on all types of new or previously treated wood and metal. Typically uses include paneling, cane or wood furniture, windows doors and partitions.

Dulux Synthetic Clear Varnish has a high gloss finish and has excellent abrasion resistance and is fast drying.

It can be applied through Brush, Roller or Conventional Spray, which is convenient to you and it is highly flammable.

Paintex plus Emulsion
Paintex Plus is an economical emulsion with a smooth matt finish. It is suitable for all normal interior masonry surfaces including brickwork, plaster, cement and wallboards. Will tolerate the levels of atmospheric humidity present in normal interior and exterior environments.

It can be applied through Brush, Roller or Conventional Spray, which is convenient to you.

Maxilite Economic Wall Paint:

Maxilite Economic Wall Paint is an economic water based paint that has excellent coverage and provides a smooth matt finish. It is suitable for all normal interior masonry surfaces including brickwork, plaster, cement, asbestos and wallboards etc. Will tolerate the levels of atmospheric humidity present in normal interior and exterior environments.

It can be applied through Brush, Roller or Conventional Spray, which is convenient to you.

Dulux Red Oxide Anti Corrosion Metal Primer

Dulux Red Oxide Anti Corrosion Metal Primer is a solvent-based sealer, anti-corrosive protective primer for interior and exterior ferrous and non-ferrous metalwork including steelwork, new weathered and pre-treated aluminum. Can be used on heated surfaces up to 90C.

It can be applied through Brush, Roller or Conventional Spray, which is convenient to you.

Dulux Aluminum Paint Dual Pack

Dulux Aluminum Paint Dual Pack is a silver paint with high metallic luster, which protects the surface from corrosion, discoloration and the effects of heat. Typical uses include chimneys, pipelines, storage vessels, steam pipes, machinery surfaces, oven doors and heat exchangers. It can be applied through Brush, Roller or Conventional Spray, which is convenient to you and highly flammable in nature.
Mission Statement & Five Years Goal

Mission Statement

“Enriching people’s lives by bringing visual delight and lasting care to their surroundings”

Five Years Goal for ICI Paints

- Target 10:20:30
- 10% return on sales (ROS)
- 20% growth in sales in 5 years (3.7% CAGR in organic like for like business)
- 30% Return on Net Assets (RONA)

This is the formula from which ICI Paints sets and achieves its targets i.e. 10% return on sales, 20% growth in sales in five years and in the last 30% Return on Net Assets.

Organizational Hierarchy
Glidden
Auto Color (Deco)
ICI Dulux
ICI Paints Decorative Department
I have my internship in ICI Dulux other are not relevant to it.

ICI Dulux

Regional Sales Manager

Business Manager

 Territory Manager (Peshawar)
 Territory Manager (Rawalpindi)
 Territory Manager (Islamabad)
FINI619 Internship Report Finance on ICI Paints Pakistan

Housing Team

Projects Team

Information Technology

Master Palette

Accounts & Warehouse keeping

Administration Officer

SP

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Environmental Policy

Dulux Decorative Environmental Policy

ICI Paints is part of Imperial Chemical Industries plc and is one of the largest and most successful paint companies in the world. The UK Decorative Business manufactures a full range of interior and exterior surface coatings for the Trade and Retail markets and is well known for its Dulux Brand.

ICI Paints has been committed to reducing the environmental impact of its products for many years.

Introduction

It is ICI’s policy to ensure that all its activities worldwide are conducted safely; the health of its employees, its customers and the public will be protected; environmental performance will meet contemporary requirements, and that its operations are run in a manner acceptable to the local communities.

The Dulux Decorative Environmental Policy underlines the ICI Group Policy and in addition focuses on some key areas of work, where we are committed to improving our environmental performance.

These key areas are:

Decorative Products

ICI policy states that it will strive to develop new products and containers that have minimal impact on the environment whilst maintaining its quality performance standards.
One of the largest environmental effects of painting is the solvents which are given off during the painting process. These solvents can cause adverse health effects (if used in poorly ventilated areas) and can contribute to pollution in the lower atmosphere.

Much of our Research & Development work is targeted at reducing the solvent content of ICI paint products and offering water-based alternative products. Our objective is to limit the amount of solvent in the products ICI sells and reduces these limits over the coming years. ICI is also taking initiatives to reduce the environmental impact of its containers.

Customers

ICI policy states that it will provide its customers with clear, accurate and helpful information on environmental aspects of its products, including guidance on safe storage, handling, use and disposal.

ICI provides comprehensive safety, health & environmental information on the back of all its containers, as well as advice on how to use the product.

Further information and guidance is given in the Dulux Color Cards, which are available in-store, which are available free from the Dulux Advice Centre at Slough.

Manufacturing

ICI will take practical steps to ensure its product manufacturing and distribution processes are carried out to minimize their impact on the environment.

ICI Pakistan is working with the rest of ICI to meet its main objective of reducing the waste from its factories.

Suppliers

ICI will work with its suppliers to minimize the environmental impact of their own business and manufacturing activities.

A program for assessing the environmental performance of ICI key suppliers is in place.

Employees
Within Dulux ICI feels it is important for its own employees to be able to contribute to its environmental performance. It is ICI Paints policy to ensure that all personnel receive appropriate training and information on environmental issues and that they are aware of and understand our Environmental Policy.

ICI is using Water-Based Paints for Environment

Water-based paints are now recommended as the best choice for interior use on large surface areas such as ceilings and walls. Water-based emulsion paints such as Vinyl Matt, Soft Sheen and Silk have been available for many years now. One can now buy water-based gloss and satin finishes as well as a special Kitchen and Bathrooms paint. There are also water-based natural wood finishes available such as Dulux Quick Drying Varnish and Timber color.

‘Water-based paints have become much more widely available over the last few years. Alongside this development manufacturers now recommend restrictions on the use of solvent-based paints inside.

All Dulux solvent-based paints that are intended for DIY use clearly state that the product must not be used on large interior surface areas such as walls and ceilings. Previous advice was to keep doors and windows open during application and drying. Recent evidence has shown that even with the doors and windows fully open the smell from the paint can still reach a level that is uncomfortable.

The smell from solvent-based paints is caused by the solvent used in the paint (white spirit) evaporating into the atmosphere as the paint starts to dry. If there is not enough fresh air getting into the room to ensure that the solvent vapor is dispersed you will be breathing in more solvent vapor than is good for you, which may cause you to suffer from running eyes, headaches and nausea. This makes decorating unpleasant. Therefore ICI recommends that only water-based paints are used on large surface areas inside. When solvent-based paints are applied to smaller surface areas such as doors, skirting boards and windows, or when used outside, solvent vapor does not present a problem providing the paints are correctly applied in accordance with the can instructions, which give guidance on good working practice. Solvents or Volatile Organic Compounds (VOCs), from paint can contribute to summertime air pollution. It is therefore sensible to restrict their use to areas where they are really needed. Dulux has always had a commitment to offer the best possible choice of high quality products with clear guidance on their safe and effective use. ICI objective is to limit the amount of VOC in our products and reduce these limits over the coming years. As part of the Paint Industry’s Environmental Policy, a labeling scheme has been introduced on paint cans to give consumers more information about the level of solvent in paint. All Dulux paints are labeled with the appropriate VOC symbol for the product:
Code of Corporate Governance

Compliance with the Code of Corporate Governance

As required under the Code of Corporate Governance dated March 28, 2002 the Directors are pleased to state as follows:

- The financial statements, prepared by the management of the Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.

- Proper books of account of the Company have been maintained.

- Accounting policies have been consistently applied in preparation of financial statements except for the change indicated in the financial statements. Accounting estimates are based on reasonable and prudent judgment.

- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.

- The system of internal control and other such procedures, which are in place, are being continuously reviewed by the Internal Audit department. The process of review will continue and any weakness in controls will be removed.

- There are no doubts upon the Company’s ability to continue as a going concern.

- There has been no departure from the best practices of corporate governance as detailed in the Listing Regulations.
Statement of Compliance with the Code of Corporate Governance for the year ended 31 December 2004

This statement is being presented to comply with the Code of Corporate Governance contained in the listing regulations of the stock exchanges for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance. The Company has applied the principles contained in the Code in the following manner:

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present the Board includes six independent non-executive directors including one director appointed under Section 182 of the Companies Ordinance 1984 and another director nominated by a financial institution.

2. The directors voluntarily confirmed that none of them is serving as a director in more than ten listed companies, including ICI Pakistan Limited, except for Mr. Tariq Iqbal Khan who is a nominee of National Investment Trust (NIT) and has been granted a waiver from the application of the relevant clause of the Code by the Securities and Exchange Commission of Pakistan.

3. The Directors have voluntarily declared that all the resident directors of the Company are registered taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI. None of the directors is a member of a stock exchange.

4. During the year one casual vacancy occurred in the Board of Directors on 23 August 2004 and it was filled instantly. The Company has filed the necessary returns in this regard.
5. The Board of Directors of the Company, in its meeting held on 23 February 2001, adopted a Statement of Ethics and Business Practices under the title of ‘The Way We Do Things Around Here’, which has been regularly circulated within the Company since 2001 and is in the knowledge of the Company's directors and employees.

6. An ‘Employee Satisfaction Survey’ has been conducted and action plans are being implemented under the supervision of the Board. Pursuant to this, a vision/mission statement has been developed and approved by the Board at its meeting held on 25 February 2005 and it will be circulated to the employees of the Company. Earlier on 27 February 2003 the Board of Directors had approved and adopted a corporate strategy and significant policies. The corporate strategy is reviewed by the Board from time to time.

7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and other Executive Directors, have been taken by the Board.

8. During the year five meetings of the Board were held including four regular and one emergent meeting which were all presided over by the Chairman except for the emergent meeting which was chaired by Mr. Mueen Afzal as Mr. M J Jaffer was abroad. Written notices of the regular Board Meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of all five meetings were appropriately recorded and circulated in time.

9. The Directors have been provided with copies of the Listing Regulations of the Stock Exchange, the Company’s Memorandum and Articles of Association and the Code of Corporate Governance. Orientation courses, both in-house and external, were also arranged for the Board in 2003 and they are well conversant with their duties and responsibilities.

10. No new appointments of CFO, Company Secretary or Head of Internal Audit have been made after the application of the Code of Corporate Governance.

11. The Report of the Directors for the year ended 31 December 2004 has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.

12. The financial statements of the Company were duly endorsed by the CEO and CFO before approval of the Board.

13. The Directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the Code.

15. The Audit Sub Committee of the Board has been in existence since 1992. It comprises three members, all of whom are non-executive directors including the chairman of the committee. ICI Pakistan also has a Remuneration Committee comprising two non-executive Directors, which has also been in operation since 1997.

16. There have been four Audit Committee meetings during the year under review. The Directors have approved the revised terms of reference of the Audit Committee in light of the Code of Corporate Governance.

17. ICI Pakistan has had an effective internal audit function in place since the late 1970s.

18. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by Institute of Chartered Accountants of Pakistan.

19. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.

20. We confirm that all other material principles contained in the Code have been complied with.

Human Resources
Manpower numbers at 31 December 2004 were 1,299, 25 lower than 2003 as severance/ redundancy was offered to certain employees in accordance with the Company’s existing Scheme. Efforts continued to bring about further improvement in employee commitment and motivation and another Employee Survey by an external, US based, agency was conducted during the year. The results of this survey will become available in 2005 and actions in areas requiring improvement will be initiated accordingly.

Union-Management relations continue to be friendly and industrial peace prevailed at all locations during the year under review.

Safety, Security, Health & Environment

The Company had zero Lost Time Cases for 2004 in continuation of a performance reflective of the ‘Reportable Injury Accident Free 2003’ initiative launched at the beginning of 2003. Your Company continued to ensure that all effluent generated at its Sites is treated to the best technical standards through efficiently operated and maintained Effluent Treatment Plants and that the outfall meets the compliance requirements of the applicable National Environmental Quality Standards. In addition, consistent with the Kyoto Protocol, ICI Pakistan has implemented a very demanding process of Environmental Burden Reduction at all its manufacturing Sites. In recognition of the commitment to a safer environment, the National Forum declared ICI Pakistan Limited the winner of the “Environmental Excellence Award 2004” for Environment and Health.

Social Responsibility & Community Work

As a responsible corporate citizen committed to the continuous improvement of communities within which it operates ICI Pakistan Limited through its trust, ICI Pakistan Foundation, provided financial assistance to various charitable and non-profit organizations during the year, including healthcare, education and social welfare organizations and projects that serve under privileged members of society. Community work by ICI Pakistan’s Soda Ash Business in Khewra, Polyester Fibers Business in Sheikhupura and the Paints Business in Lahore also continued during the year. This included donation of computers and furniture,
financial assistance, construction, renovation and maintenance of educational institutions and playgrounds in the communities close to the manufacturing sites of the Company. To create awareness about environmental problems, especially amongst children, the Company also sponsored WWF Nature Carnival and Save the Marine Turtle Project during 2004.

Financial Statements

Overview

Pakistan’s economy performed well in 2004, and with high levels of foreign currency reserves and a stable Pakistani rupee against the US dollar, the year presented good opportunities to manufacturing industries in Pakistan. Inflation, however, was higher than targeted, which could have an implication for interest rates going forward. In Paints, the Business received a boost through removal of Excise Duty announced in the Federal Budget 2004 – 05 and witnessed robust growth in the construction and automobile sectors. The Life Sciences Business performed strongly with its Pharmaceuticals division performing as the fastest growing business in the industry. The General Chemicals Business exited from the furnace oil and steam coal trading following a ban on import of furnace oil in mid 2003. The Business has successfully expanded its portfolio with new products that complement the existing range and generate acceptable margins.

Given the market conditions outlined above, your Company maximized output from its plants to meet customer needs, and undertook restructuring and manufacturing excellence initiatives aimed at improving profitability longer term.

Report of the Directors for the Year Ended 31 December 2004

The abolition of excise duty on paint and thinners in the Federal Budget 2004-05 allowed the business to compete more effectively with the unorganized sector. The Business reduced retail prices in the market by 10%-15% in line with commitment to the Government to pass on the benefit to the consumer. The price reduction helped boost volume demand for high quality decorative paints in the construction sector.

Demand in the Decorative segment remained brisk and the Business registered record sales volumes. Export opportunities were also pursued and consignments of paint were successfully dispatched to Afghanistan. Hand held terminals were introduced in the Decorative Business to improve efficiency and customer
service. The growth in consumer demand for automobiles in 2004 supported by increased availability of consumer credit at low interest rates fuelled growth in the Industrial Paints segment. Sales to the motors segment were further augmented by the successful launch of newly developed shades at key customers. Refinish segment sales also picked up following the removal of excise duty on paint and the consequent reduction in prices. In July, the Government also announced removal of excise duty on thinners, which provided further impetus to sales. Margins remained under pressure due to a sharp increase in solvent prices. Overall sales grew by 19.6% compared to the last year due to higher volumes sold. Administrative and selling expenses were 16% higher than last year mainly due to higher promotional expenses and manpower costs. Operating result at Rs 495.8 million was 26% higher than last year.

Balance Sheet as at 31 December 2004
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<thead>
<tr>
<th>Share Capital and Reserves</th>
<th>Amounts in Rs ‘000</th>
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</thead>
<tbody>
<tr>
<td>Authorized capital</td>
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<tr>
<td>1,500,000,000 ordinary shares of Rs 10 each</td>
<td>15,000,000</td>
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<td>Issued, subscribed and paid-up capital</td>
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<td>Capital reserves</td>
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<td>Un-appropriated profit</td>
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<td>Surplus on Revaluation of Property, Plant and Equipment</td>
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<td>Non-Current Liability</td>
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<td>Deferred liability</td>
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<td>Current Liabilities</td>
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<tr>
<td>Long-term loans</td>
<td>0</td>
</tr>
<tr>
<td>Short-term financing</td>
<td>112,102</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>5,082,277</td>
</tr>
<tr>
<td></td>
<td>5,194,379</td>
</tr>
<tr>
<td></td>
<td>13,918,024</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>5,250,166</td>
</tr>
<tr>
<td></td>
<td>2004</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>135,848</td>
</tr>
<tr>
<td></td>
<td>5,386,014</td>
</tr>
<tr>
<td>Deferred Tax Asset – net</td>
<td>870,294</td>
</tr>
<tr>
<td>Long-Term Investments</td>
<td>212,500</td>
</tr>
<tr>
<td>Long-Term Loans</td>
<td>243,962</td>
</tr>
<tr>
<td>Long-Term Deposits and Prepayments</td>
<td>26,209</td>
</tr>
<tr>
<td>Current Assets</td>
<td></td>
</tr>
<tr>
<td>Stores and spares</td>
<td>663,252</td>
</tr>
<tr>
<td>Stock-in-trade</td>
<td>2,912,877</td>
</tr>
<tr>
<td>Trade debts</td>
<td>815,399</td>
</tr>
<tr>
<td>Loans and advances</td>
<td>79,177</td>
</tr>
<tr>
<td>Trade deposits and short-term prepayments</td>
<td>153,809</td>
</tr>
<tr>
<td>Other receivables</td>
<td>393,305</td>
</tr>
<tr>
<td>Taxation recoverable</td>
<td>344,449</td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td>1,816,777</td>
</tr>
<tr>
<td></td>
<td>7,179,045</td>
</tr>
<tr>
<td></td>
<td>13,918,024</td>
</tr>
</tbody>
</table>
Profit and Loss Account for the Year Ended 31 December 2004

<table>
<thead>
<tr>
<th></th>
<th>Amounts in Rs ‘000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2004</td>
</tr>
<tr>
<td></td>
<td>2003</td>
</tr>
<tr>
<td>Turnover</td>
<td>21,303,498</td>
</tr>
<tr>
<td>Sales tax, commission and discounts</td>
<td>(3,664,018)</td>
</tr>
<tr>
<td></td>
<td>17,639,480</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>--------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(14,883,771)</td>
</tr>
<tr>
<td>Gross profit</td>
<td>2,755,709</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Selling and distribution expenses</td>
<td>(744,459)</td>
</tr>
<tr>
<td>Administration and general expenses</td>
<td>(664,462)</td>
</tr>
<tr>
<td></td>
<td>1,346,788</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial charges</td>
<td>(258,940)</td>
</tr>
<tr>
<td>Other operating charges</td>
<td>(67,541)</td>
</tr>
<tr>
<td></td>
<td>(326,481)</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Other operating income</td>
<td>1,878,643</td>
</tr>
<tr>
<td>Profit before taxation</td>
<td>2,898,950</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxation</td>
<td>(52,582)</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit after taxation</td>
<td>2,846,368</td>
</tr>
<tr>
<td></td>
<td>(Rupees)</td>
</tr>
<tr>
<td>Earning per share</td>
<td>20.51</td>
</tr>
</tbody>
</table>
# Cash Flow Statement for the Year Ended 31 December 2004

<table>
<thead>
<tr>
<th>Amounts in Rs ‘000</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows from Operating Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit before taxation</td>
<td>2,898,950</td>
<td>806,552</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on disposal of investment in Associate</td>
<td>(1,788,524)</td>
<td>0</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>680,103</td>
<td>647,677</td>
</tr>
<tr>
<td>Gain on disposal of property, plant and equipment</td>
<td>(6,095)</td>
<td>(41,145)</td>
</tr>
<tr>
<td>Provision for diminution in the value of property, plant and equipment</td>
<td>0</td>
<td>21,400</td>
</tr>
<tr>
<td>Provision for non-management staff gratuity and eligible retired employees’ medical scheme</td>
<td>12,463</td>
<td>11,474</td>
</tr>
<tr>
<td>Return on bank deposits and loans to Associate/Subsidiary</td>
<td>(4,220)</td>
<td>(7,667)</td>
</tr>
<tr>
<td>Interest / mark-up expense</td>
<td>210,883</td>
<td>380,349</td>
</tr>
<tr>
<td></td>
<td>2,003,560</td>
<td>1,818,640</td>
</tr>
<tr>
<td><strong>Movement in:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working capital</td>
<td>44,385</td>
<td>436,816</td>
</tr>
<tr>
<td>Long-term loans</td>
<td>(129,287)</td>
<td>(113,521)</td>
</tr>
<tr>
<td>Long-term deposits and prepayments</td>
<td>(2,155)</td>
<td>(2,371)</td>
</tr>
<tr>
<td>Cash generated from operations</td>
<td>1,916,503</td>
<td>2,139,564</td>
</tr>
<tr>
<td>Payments for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-management staff gratuity and</td>
<td></td>
<td></td>
</tr>
<tr>
<td>eligible retired employees’ medical scheme</td>
<td>(7,979)</td>
<td>(15,801)</td>
</tr>
<tr>
<td>Taxation</td>
<td>(84,597)</td>
<td>(190,698)</td>
</tr>
<tr>
<td>Net cash generated from operating activities</td>
<td>1,823,927</td>
<td>1,933,065</td>
</tr>
<tr>
<td>Cash Flows from Investing Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term investments</td>
<td>3,909,784</td>
<td>(6,300)</td>
</tr>
<tr>
<td>Payments for capital expenditure</td>
<td>(550,120)</td>
<td>(459,089)</td>
</tr>
<tr>
<td>Proceeds from disposal of property, plant and equipment</td>
<td>15,287</td>
<td>54,496</td>
</tr>
<tr>
<td>Profit / mark-up received</td>
<td>4,220</td>
<td>7,667</td>
</tr>
<tr>
<td>Repayment of loan by Associate</td>
<td>0</td>
<td>300,000</td>
</tr>
<tr>
<td>Net cash generated from / (used in) investing activities</td>
<td>3,379,171</td>
<td>(103,226)</td>
</tr>
<tr>
<td>Cash Flows from Financing Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term borrowings less repayments</td>
<td>(4,011,800)</td>
<td>(363,783)</td>
</tr>
<tr>
<td>Short-term borrowings less repayments</td>
<td>0</td>
<td>(250,000)</td>
</tr>
<tr>
<td>Interest / mark-up paid</td>
<td>(183,597)</td>
<td>(335,526)</td>
</tr>
<tr>
<td>Dividend paid</td>
<td>(347,054)</td>
<td>(312,314)</td>
</tr>
<tr>
<td>Description</td>
<td>Jan 1</td>
<td>Dec 31</td>
</tr>
<tr>
<td>-----------------------------------------------------------------</td>
<td>------------</td>
<td>------------</td>
</tr>
<tr>
<td>Net cash used in financing activities</td>
<td>(4,542,451)</td>
<td>(1,261,623)</td>
</tr>
<tr>
<td>Net increase in cash and cash equivalents</td>
<td>660,647</td>
<td>568,216</td>
</tr>
<tr>
<td>Cash and cash equivalents at 1 January</td>
<td>1,044,028</td>
<td>475,812</td>
</tr>
<tr>
<td>Cash and cash equivalents at 31 December</td>
<td>1,704,675</td>
<td>1,044,028</td>
</tr>
<tr>
<td>Movement in Working Capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Increase) / decrease in current assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stores and spares</td>
<td>(11,056)</td>
<td>(5,555)</td>
</tr>
<tr>
<td>Stock-in-trade</td>
<td>(666,580)</td>
<td>(302,475)</td>
</tr>
<tr>
<td>Trade debts</td>
<td>(171,926)</td>
<td>28,911</td>
</tr>
<tr>
<td>Loans and advances</td>
<td>1,113</td>
<td>214,204</td>
</tr>
<tr>
<td>Trade deposits and short-term prepayments</td>
<td>12,384</td>
<td>(40,621)</td>
</tr>
<tr>
<td>Other receivables</td>
<td>(76,730)</td>
<td>(5,483)</td>
</tr>
<tr>
<td></td>
<td>(1,112,795)</td>
<td>(111,019)</td>
</tr>
<tr>
<td>Increase in current liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>1,157,180</td>
<td>547,835</td>
</tr>
<tr>
<td></td>
<td>44,385</td>
<td>436,816</td>
</tr>
<tr>
<td>Cash and cash equivalents at 31 December comprise of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and bank balances</td>
<td>1,816,777</td>
<td>1,044,028</td>
</tr>
<tr>
<td>Running finances utilized under mark-up</td>
<td>(112,102)</td>
<td>0</td>
</tr>
</tbody>
</table>
Ratio Analysis

Profitability Ratios

Gross profit ratio

Gross profit

\[
\text{Gross profit} \times 100
\]

Net sales

Year 2003:

\[
\frac{2,664,367 \times 100}{22,156,265}
\]

www.vuzs.net
http://groups.google.com/group/vuzs
Year 2004:

\[
\frac{2,755,709 \times 100}{14875877} = 18.52\% 
\]

Net Profit Ratio

Net profit after tax \(\times 100\)

Net sales

Year 2003:

\[
\frac{766,244 \times 100}{22,156,265} = 3.45\% 
\]

Operating Ratio
Operating Profit

X 100
Sales

Year 2003:

806552
X 100
22156265
=3.64%

Year 2004:

2898950
X 100
21303498
=13.60%

Cost of Goods Sold Ratio

Cost of goods sold

X100
Net sales

Year 2003:

15462928
X 100
22156265
=69.79%

Year 2004:
14883771
X 100
21303498
=69.86%

Selling and Administration Expense Ratio

Selling and administration expense

X 100
Net sales

Year 2003:

1576686
X 100
22156265
=7.12%

Year 2004:

1408921
X 100
21303498
=6.61%

Overall Profitability Ratios

Return on Shareholder Investment

Net profit after tax

X 100
Shareholders fund

Shareholders fund = Paid up capital + capital reserves + revenue reserves + inappropriate profit + surplus on revaluation of investment

Year 2003:

\[
\begin{align*}
766244 & \\
\times 100 & \\
5461869 & \\
= & 14.03\%
\end{align*}
\]

Year 2004:

\[
\begin{align*}
2846368 & \\
\times 100 & \\
8053980 & \\
= & 35.34\%
\end{align*}
\]

Return on Equity Capital

Net profit after tax \times 100

Equity share capital

Year 2003:

\[
\begin{align*}
766244 & \\
\times 100 & \\
1388023 & \\
= & 55.20\%
\end{align*}
\]

Year 2004:

\[
\begin{align*}
2846368 & \\
\end{align*}
\]
Earning Per Share

Net profit after tax

Earning Per Share

Earning Per Share

Liquidity Ratios

Current ratio

Current Assets

Current Liabilities

Year 2003:

=Rs 5.52 per share

Year 2004:

=Rs 20.51 per share

Year 2003:

5305892

7915577

=0.67:1

Year 2004:
Quick Ratio / Acid Test Ratio

Liquid Assets

Liquid assets = Current asset – (inventories + prepaid expenses)

Year 2003:

3259595
7915577
=0.41:1

Year 2004:

4266168
5194379
=0.82:1

Current Asset Movement and Activity Ratios

Stock turn over ratio

Cost of Goods Sold

Average stock

Year 2003:

15462928
2046297
Average stock = (opening stock + closing stock)/2

Inventory Turnover in Days

- Year 2003: 
  - Inventory turnover ratio = 7.56 times
  - =48 days

- Year 2004: 
  - Inventory turnover ratio = 5.11 times
  - =71.5 days

Debtor's Turnover Ratio

Year 2003:

Year 2004:
Year 2003:

Average Collection Period

<table>
<thead>
<tr>
<th>No. of working days</th>
<th>Debtor’s turnover</th>
<th>Average Collection Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>365</td>
<td>34.43</td>
<td>10.60 days</td>
</tr>
</tbody>
</table>

Year 2004:

Average Collection Period

<table>
<thead>
<tr>
<th>No. of working days</th>
<th>Debtor’s turnover</th>
<th>Average Collection Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>365</td>
<td>26.13</td>
<td>14 days</td>
</tr>
</tbody>
</table>
Analysis of Long Term Financial Position and Solvency

Debt-Equity Ratio

OUTSIDERS FUND

SHAREHOLDERS FUND

Outsiders’ fund = Redeemable capital + debentures + long term loans + current portion of long term liabilities + short term finances

Year 2003:

7915577
5461869
=1.44:1

Year 2004:

5194379
8053980
=0.64:1

Debt to Total Asset Ratio

TOTAL DEBTS
TOTAL ASSTS

Year 2003:

8669958
14131827
=0.61:1

Year 2004:

5864044

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http://groups.google.com/group/vujs
Total Asset Turnover / Capital Turnover Ratio

Net sales
Total asset

Year 2003:

22156265
14131827
=1.56 times

Year 2004:

21303498
13918024
=1.53 times

Proprietary Ratio

SHAREHOLDERS FUNDS
TOTAL ASSETS

Year 2003:

5461869
X 100
14131827
=38.65%

Year 2004:

8053980
Return on Investment

Net profit after tax

\[ \text{Return on Investment} = \left( \frac{\text{Net profit after tax} \times 100}{\text{Total assets}} \right) \]

Year 2003:

\[ \frac{766244 \times 100}{14131827} = 5.42\% \]

Year 2004:

\[ \frac{2846368 \times 100}{13918024} = 20.45\% \]

Interpolation

From all above Financial Statement Analysis it is clear that company has improved its Financial State and it is due to following reasons:

By assuring the control on Internal Expenses, also company has tremendously improved its ‘Other Operating Charges’, which is a very healthy sign for the company.

Government Taxes are reduced

The company’s profitability has been increase by almost 4 Times.

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Also company has reduced its interest expenses for the period and raised its reserves by huge amount.

BCG Matrix & PLC

BCG Matrix
ICI Paints has 76% of the market share in Pakistan market and has high level of profit. ICI is generating big amount of revenue from the market, so according to my thought ICI is “(Star) of the Market.”
Product Life Cycle

ICI Paints

In Pakistan ICI Paints is at maturity level because it has major market share. Now the real problem is that it has to sustain its market share and position that purpose ICI Paints is doing well because ICI Paints is spending over £30 million per year on Research and Development worldwide.

SWOT Analysis & Unique Selling Point

SWOT Analysis

Strengths:
• The environment policy and safety of health policies are extraordinary, it is a standard to follow and no one can compete in this department with ICI.

• ICI’s first priority is the customer satisfaction and it is practicing well. The customer satisfaction can be measure from the following practices:
  
  o The delivery of Master Palette is made within 3 hours from order.
  o Free color scheme advice to customers
  o Prompt feedback, if there is any complaint from the customer.
  o Customer focus website

• A huge amount of investment made on the employees, dealers and customers. A large amount of tax was paid by company to the government of Pakistan. Also after one month or so painter parties are arranged, which develop a strong relationship:
  
  o B2B
  o B2G
  o B2C
  o C2C

• When talk about the quality of the products, ICI is leading quality conscious company in the field of paints.

Weaknesses:

• The procedure of delivery is very complex for a customer to understand, that’s needs to be simplified or modify.
Some confused marketing strategies are made, which are later on replaced.

Opportunities:

ICI has the biggest market share in the paints business i.e. 76%.

Berger is the only competitor in this field and it is spending a lot of money and resources to get more market share, but it cannot compete with the quality.

In Pakistan customer are categorize in following ways:

- Quality conscious
- Price conscious

ICI’s is focusing both types of customers.

Pakistan is a big country when we talk about population, and people here belong to different status. From that point of view there is a lot of opportunity for ICI in Pakistan.

Threats:

ICI has only on job training for their employees and some of the employees need to have of job training also e.g. IT.

Berger has 12 housing team members and ICI has only 4, which may be create a big problem in the future.

The biggest threat to ICI Paints is the political and economic instability of Pakistan.

Unique Selling Point
The unique selling point of ICI is its emphasis on environment control and there is no quality match with it.

An innovative global community working together to find and share better solutions.

ICI Paints, its brands, products and services will be the first choice for people who want the best.

The unique selling point of ICI Paints is its Research and Development. ICI Paints is spending over £30 million per year on Research and Development worldwide, which is huge amount for a business.

Marketing and Business Strategies

Segmentation

The Target Market of ICI Paints consists of two types of customers:

- Quality Conscious (Upper Class or Elite Class)
- Price Conscious (Upper Middle Class and Lower Middle Class)

And these students also want to get education, so the basic segmentation of ICI Paints is on the basis of social class (Psycho graphic Segmentation).

For quality conscious customers ICI Paints offers D-Line products or Dulux and for price conscious customers ICI Paints offer Non-D products. This aspect tells us about the difference between luxury and need.
7 P’s of ICI

Product of ICI Paints

According to market point of view the product of ICI is:

- Customer Satisfaction
- Safety and health (For everyone which is directly or indirectly related to the company)

Position of ICI Paints

ICI is the leading company in the Pakistan as well world. It has 76% market share in Pakistan and ICI Paints are used in countries which represent over 95% of the world’s population.

So ICI Paints is not only market leader of Pakistan but also world’s leading company in the business of Paints.

Price of ICI Paints

ICI Paints price is very reasonable when we compare with the benefits or offering of ICI. Some people think that paints of ICI are costly but keep in mind quality is free.

Promotion of ICI Paints

ICI Paints is using following promotional tools:

- Customer satisfaction is itself a promotion tool for ICI Paints and it help to develop C2C relationship.

- ICI Paints arranges painter parties at different places and at this event gift are given to those painters which have used a reasonable quantity of ICI paint for the period.

- ICI Paints has given a target to every dealer according to its capacity and market analysis. If that dealer meets that target, ICI Paint will take that dealer to some other country for recreational purpose e.g. last time ICI Paints chartered special plane for its
dealers and took them to Dubai. For present year ICI Paints has promised to take its dealers to Malaysia.

- Just like other paints ICI has offered a token in every Bucket or Gallon of Maxilite and Painex which are worth Rs. 220 per Bucket and Rs. 60 per Gallon.

People

People in ICI Paints can be divided into following categories:

- Management Staff
- Non-management Staff

Management Staff:

Management Staff is being used for decision making process and if there is any problem occurs to the company.

Non-management Staff:

Non-management Staff includes Sales Promoters, IT persons and other contract based staff.

Process

ICI Paints is customer centric company so the process starts from the need or desire of customer and ends at the delivery of products or finished goods.

Physical Evidence

The physical evidence of ICI Paints is its production unit, Decorative Department and Color Studio which are easily accessible to the customer at any time.

3 C’s of ICI Paints

- Consumer
- Competitor
- Corporate

Consumer

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http://groups.google.com/group/vuzs
The consumer of ICI Paints is any individual which has desire for the paint and requires cost beneficial product.

Competitor

The Biggest competitor of ICI Paints is Berger Robilac; it is local company which is being run by the Big Investors in Pakistan.

Corporate

ICI Paints management is it’s corporate and management of ICI Paints is consists of marketing and HR managers which basically belongs to Pakistan.

Learning as Internee

What I have learnt from my internship?

ICI Paints is a big name or you may say that a name of quality. ISO is some thing that is minimum quality level for the business to maintain but on the other hand ICI is a big name and itself it is standard. There are some quality persons working for ICI and I am nothing in front of them. But I am really thankful to ICI Decorative Department Head that he gives me opportunity to give some suggestions on the basis of my observations. I am thankful to ICI paints and all the members of ICI Paint Islamabad. I have learnt a lot from every one of them, because everyone is acting as a symbol head for me. That experience that I got from here will help me throughout career and I am really grateful to everyone in ICI Paints Islamabad.
During my internship period there are number of experiences for me, because I have almost experienced every aspect of business in ICI Paint Islamabad.

**Institution & Project team**

I would like start with Institution Team, the basic theme is in that institution segment of ICI Paint business is how to interact with the contractor. These types of deals are not come under the head of everlasting nature, when contract is fulfilled deal is over. So all you need to create the demand for your product. Most of the contractors believe in ‘Just in Time’, because in the contracts there is no time to wait for supplies and time has a lot of value in the contracts.

**Dealership Team**

Sales promotion is one of the interesting types of job in ICI Paint Islamabad; the working of team totally depends on nature of dealers/customers. The nature of dealers means the size of transaction/business he is doing with the company. Also some dealers want to do business with company on credit basis or cash in advance. That’s why the different dealers have different problems and sales promoters use different techniques to tackle them. I found most of the dealers are not happy with the system of delivery of paint of company, they argued that the system is so much complex in nature. First of all order is placed, then that should be cleared from the Head Office, then invoices are printed and in the last delivery is made. But according my thinking that is the need of day for the safety of the business.

**Housing Team**

I have also done some work with the housing team of the ICI paint Islamabad, but there is only one SP (Sales Promoter) for the housing team, which cannot fulfills the demand of the market. He has to do home to home and convince people. He has to check the problems of customers. At one day he can only visit 10 to 12 house or customer that is not enough for the business need.

**IT or Computer Operator**

[www.vuzs.net](http://www.vuzs.net)
[http://groups.google.com/group/vuzs](http://groups.google.com/group/vuzs)
I have also done some work the IT and I have learnt that how feed an order in the system, sales and daily closing of the system.

Working with IT means to improve the efficiency and effectiveness. In the ICI Paint Islamabad, all the workers of department depend on one IT person that is responsible to print invoice and customers needed documents, but he is not happy with the connectivity with the Head Office Lahore, because company is using dialup for the connectivity; which is now an obsolete in business sectors.

**Palm Talk or HHT**

During me internship period I have also worked with HHT, the administration officer told me how it works and what purpose of it is. But there are some bugs in that system, that needs to be rectify. I have also made a report and complete documentation of those problems with HHT and I have forward my report to Head Office Lahore.

**Master Palette**

Master Palette is wonderful or one can say that one of the core competencies of ICI paints business. In Master Palette there are 6134 colors and customer can select anyone them. I have also learnt Master Palette from order taking, preparation and dispatch. Master Palette must be delivered to customer within 3 hours of order received, but unfortunately sometimes that cannot be fulfilled.

**Accounts & Ware-house keeping**

Accounts & Ware-house keeping sections of the ICI paints Islamabad are doing well for the department and the entire job is done by only one person and he is so efficient in his work. I have learnt everything about accounts and warehouse keeping from him. For about one week I worked with him, now I am able to understand every internal work of the department.

**Other Works**

www.vuzs.net
http://groups.google.com/group/vuzs
I was also assigned some different projects from the department Head. Just like store room keeping (Making list of gift and Items available for use) and sorting the caps of Drums and Galloons of Paintex and Maxilite (Dispatch these caps dealers-wise). The learning point in these projects is getting the job done by your subordinates/labor force. That is a totally different experience for me and I have enjoyed my job.

The main I have learned that how make the public relations that’s all marketing and sales is all about.

**Enterprise Resource Planning (ERP)**

ICI is one of those companies in Pakistan which are using ERP system. ICI Paints has its own ERP system from which it become easy for the management to take decisions regard demand and supply. ICI Paints top management is sitting in Lahore making decision about the ICI Paints Islamabad, this is real use of technology.

**Suggestions/Findings**

- There is a big need to increase the housing team, because of market need and competition between ICI and Berger. Berger is penetrating in the market, because last year market analysis shows that market share of ICI Paints has been reduced to 76% from 82%. This is alarming sign for ICI Paints.

- The working of entire department depends on only one person i.e. IT/ Computer operator, but he is not happy with the connectivity of system with the Head Office, because everyone is waiting for invoices to print. Now department is using dialup for connectivity that should convert into DSL connection, which is now a day very much used by big organizations and quiet safer way of communication.
• There should be special Van/Loader for the Master Palette delivery, because ICI policy is customer satisfaction. And that would be better step towards customer satisfaction.

Conclusion

From the above all discussion I have found that ICI Paints has a lot of resources and well equipped. It is true to say that ICI Paints is Market leader and it is fully applying all of its resources on Quality Practices, Customer Retaining & Satisfaction, Research & Development and Environmental Control, but it needs to show some management commitment to retain its position, because one of its competitors is penetrating in the market.

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