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The VanguardTM

an ITL Publication

INVESTING IN HUMAN CAPITAL



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an ITL Publication

Editorial Team

Human Resources & Compliance

New World Concepts

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CEO'S MESSAGE

Pakistan's economy continues to maintain its growth momentum for the 3rd year in a row with real GDP growing at 4.71 percent in FY 2016 which is the highest in eight years. GDP posted a reasonable growth over last year despite a major setback in agriculture growth on account of massive decline in cotton production. The decrease in cotton production is due to a slow commodities market and floods which have taken their toll on farmers, with inadequate measures against pest attacks also contributing to the decline.

The budget deficit has witnessed a substantial decline from 8.2 percent of GDP in FY2013 to 5.3 in FY2015 in response to the efforts taken by the government to reduce power subsidies together with raising tax revenues. The stable PKR parity also helped in keeping inflation under control, and in lowering inflation expectations in the country.

Today, Pakistan is at the cusp of a massive change that is being led by the China Pakistan Economic Corridor (CPEC). CPEC will result in the integration of forty two countries, creating a fresh GDP of \$2.3 trillion by 2025. East of the Europe and west of North Asia, Gwadar will emerge as the largest port. This opportunity is not only about economic, industrial and energy development for Pakistan, it is about reaching its potential as one of the largest countries in the world.

Global human capital trends reveal the need for a 'new organization' focused on understanding and creating a shared culture, designing a work environment that engages people and constructing a new model of career development. Linking talent development to future leadership needs, ITL continues to invest in its human resource as some jobs are too critical to be left vacant or filled by any but the best qualified persons.

Moving to ITL, matching the global emphasis on sustainable growth has resulted in a renewed focus on succession planning. Succession planning at ITL centers on identifying and growing talent to fill business-critical positions in the future. Programs such as 'Path to Enlightenment' have been developed for effective implementation of this activity associating it to future growth.

A distinctive facet of sustainable growth looks towards developing systems by incorporating technology that assists in achieving the strategic goal of improving production efficiency. The SAP implementation project was completed successfully resulting in streamlining of processes including supply chain management, ensuring better compliance, optimization of manufacturing operations and cost control. This has eliminated redundant data errors and increased efficiency through smarter decision making.

Compliance with local laws and international standards remains at the top of the management and operating agenda. In this regard, the code of conduct consisting of ethical principles and standards was presented as a guide to how ITL employees should perform and how business is to be conducted with the external and internal customers.

Further investments have been made to equip ITL with the latest technology by moving towards automation.

I would like to thank our customers for trusting us to fulfill their needs year after year. Also, my tremendous thanks to the staff and personnel at ITL as success would not have been possible without dedication, hard work and sincerity demonstrated by the ITL team members.



DELIGHTING THE CUSTOMER



ITL's commitment to customer service par excellence remains a key strategic priority. Being more customer focused and delivering service excellence provides an advantage in an extremely competitive market.

Wasatch Corp is one such valuable customer. Wasatch Corp is the one of the leading manufacturers and distributors of wholesale textile products for companies supplying the institutional, hospitality, food service and health care industries. Their office and warehouse is located in Lynwood, CA. The family owned company was established in 1978 and has been servicing clients for over thirty years.

Abdul R. Wahab, Vice President Sales, Wasatch Corp. has been in the textile industry for 10 years now. The ITL Vanguard team interviewed Mr. Wahab to discuss the business alliance between ITL and Wasatch Corp.

Q 1. How does your organization view its business relationship with International Textiles?

A. Wasatch Co has been working with ITL since its inception. ITL is a business partner rather than just a supplier. ITL's superior customer services have a well-planned ideology which has allowed them and Wasatch Corp to be successful with exponential growth.

Q 2. How do you rate ITL's Health & Safety Standards?

A. I rate ITL highly in respect to Health and Safety Standards. In fact, I would award it 5 out of 5 stars for the quality. We have been importing from Pakistan for over 30 years and ITL has implemented some of the highest safety and employee standards we have ever seen in the country. ITL has heavily invested in its staff and its customers.

Q 3. In working with ITL, what do you consider to be the key areas of learning for your company?

A. ITL's team of managers and staff are always looking to improve, advance, and enhance their products. Their ability to have a vision or to chase something that has never been done and is rare in the Pakistani marketplace. This attitude inspires my team at Wasatch to do more as well.

Q 4. How does your company evaluate ITL in the context of the overall textile industry in Pakistan and worldwide?

A. We have had the pleasure of working in many parts of the world. When it comes to understanding the needs of their clients, quality of product, and the future of the industry, ITL has stood out to be one of the most prestigious mills in the world. The ethical standards in which it operates are second to none in Pakistan. The vision of the founder was to provide the highest working standards for its employees, which would then translate into high quality product and a work force that is invested in its customers. His vision is a testament to the success of the company and we look forward to ITL's continued growth and success.

Q 5. Looking at the future, how would your firm like to enhance its relationship with ITL?

A. ITL has valued our relationship more as a partnership and strived to achieve or exceed our expectations. When you have a relationship that is more like a partnership it makes an amazing environment to foster growth and success.

WELCOME TO THE ITL FAMILY



Altaf Gul Muhammad
Chief Operating Officer

Mr. Altaf Gul Muhammad has more than two decades of progressive work experience in operations and marketing management. With almost a decade of experience in senior management positions, he brings extensive knowledge to ITL.

Well versed in leading textile companies, Mr. Muhammad has been certified in financial controls, planning for marketing, decision making, personal development and leadership practices by the Chartered Management Institute, UK. He was also awarded a gold medal for achieving the highest GPA while qualifying for his MBA.

ITL is proud to welcome Mr. Altaf Gul Muhammad as the new Chief Operating Officer.



Ijaz Ahmed
General Manager Engineering

Mr. Ijaz Ahmed has more than 15 years of extensive management and field experience pertaining to development, operations management, project management, testing and instrumentation of electrical control systems along with acquisition, installation and troubleshooting of machinery.

He attained an MBA from the University of Karachi after obtaining a Bachelors in Engineering specializing in Industrial Electronics from the Institute of Industrial Electronics Engineering, which is affiliated with the NED University of Engineering and Technology, a pioneer of education in engineering since 1922.

Mr. Ahmed is a member of the Pakistan Engineering Council and has overseen major project expansions in his previous work experiences. ITL is pleased to welcome Mr. Ijaz Ahmed as the new General Manager Engineering.



Asad Ali Bhagat
Senior Manager Marketing

Mr. Asad Ali Bhagat joins ITL with over 18 years of experience in marketing, manufacturing, business development, supply chain management and team development.

Mr. Bhagat has previously participated in globally renowned trade fairs such as Heimtextile (Germany), Inter-textile (China), and Magic Home (USA) and has working knowledge of weaving, dyeing, yarn production, warehousing systems and export processes.

He has also been involved in product development for different European and Middle Eastern buyers including Metro, Carrefour, Lidl, Aldi, El Corte Ingles, Kik, and more.

A keen tennis enthusiast, Mr. Bhagat is also a former Pakistan # 1 player in the Under 18 category.

ITL is delighted to welcome Mr. Asad Ali Bhagat as Senior Manager Marketing.



Adil Mukhtar
Manager Marketing

Mr. Adil Mukhtar, ITL's new Manager Marketing, attained his Bachelors in Textile Engineering from Synthetic Fiber Development & Application Centre, a collaboration of United Nations Industrial Development Organization (UNIDO) and Hamdard University, Pakistan. He has experience in conducting market and competitor analysis, enterprise resource planning, implementation of quality standards and development of innovative products. He dealt with clients all over the world including Carrefour (France), Otto Versand (Germany), Turner Bianca (UK) and more.

ITL is delighted to welcome Mr. Adil Mukhtar as Manager Marketing.



Manzar Rauf Pirzada
Manager Spinning

Mr. Manzar Rauf Pirzada is the newest member of ITL's Spinning department. A qualified textile engineer, he has more than two decades of experience in developing textile products matching international quality standards. Rising through the ranks, Mr. Pirzada started as an apprentice gaining experience with various cotton and man-made fiber yarns.

ITL is happy to have Mr. Manzar Rauf Pirzada as the new Manager Spinning.



Shoaib Maqbool
Manager Procurement

Mr. Shoaib Maqbool has almost 20 years of cross industry experience in procurement management including textile, chemicals and fast moving consumer goods. Proficient in the SAP systems, Mr. Maqbool has previously developed policies and procedures regarding procurement, inventory control and distribution. Maintaining health, safety and environmental standards, Mr. Maqbool has working knowledge of preventing hazards while encouraging work place safety for the procurement function.

ITL welcomes Mr. Shoaib Maqbool as Manager Procurement.



M. Ali Bukhari
Project Engineer

Mr. Muhammad Ali Bukhari has joined ITL as a Project Engineer. He attained a Masters in Construction Management after obtaining a Bachelors in Civil Engineering from the NED University of Engineering and Technology.

Working on projects scaling up to 200,000 square feet, Mr. Bukhari has experience in site coordination with consultants, project controlling & monitoring, overseeing material procurement and storage as well as management related decision making. He is well versed in AutoCad, Primavera P6 project management software and Etabs, an innovative and revolutionary integrated software package for structural analysis and design of buildings. Mr. Bukhari is also a member of the Pakistan Engineering Council.

ITL is pleased to welcome Mr. Muhammad Ali Bukhari as Project Engineer.

APPRECIATING TEAM WORK

Increased emphasis on continual improvement has shown remarkable results due to the extraordinary teamwork displayed by ITL team members. Initiatives undertaken by the Information System (IS), Utilities, Terry Textile Processing and Spinning departments significantly improved efficiency and productivity while concurrently reducing costs.

By successfully completing the CISCO networking project to ensure uninterrupted network services, the IS department has ensured the reduction of maintenance costs to virtually zero over the next 10 years.

Aligning with global technology dynamics, the department concurrently facilitated safe backup of all email communication through Microsoft's Office 365. This has enabled ITL employees to avoid heavy data backups while easily accessing email at any location. The new initiative has provided a technology vision and roadmap which incorporates innovation while minimizing costs.

IMPLEMENTATION OF CISCO & OFFICE 365



The Information System Department

The Utilities department has substantially improved efficiency by optimizing energy consumption and decreasing utility expenses by more than Rs. 7 million annually. This considerable achievement has practically resulted in savings of up to 130 KW per hour.

This was mainly achieved by instituting the Electronic Chock project, which reduced energy consumption up to 20%.

Through hard work and commitment, efficiencies at the Power House and Effluent Treatment Plant increased, resulting in a reduced cost impact while increasing the quality of results achieved.

ENERGY CONSERVATION



The Engineering Department

APPRECIATING TEAM WORK

ENERGY CONSERVATION



The Terry Textile Processing Department

Two major projects initiated by the Terry Textile department have helped propel ITL as an organization focused on safeguarding the environment while enabling sustainability.

The Steam Flow Meter project was initiated to minimize energy costs and increase efficiencies in energy/power generation. This project recovered its investment costs within 5 months resulting in energy and time savings.

Successful implementation of this project was possible through teamwork and commitment to excellence.

PROCESS OPTIMIZATION



The Spinning Department

Through dedication and commitment, the Spinning department has achieved great success. Production capacity has increased by 10% while dependence on external contractors has also been reduced significantly. This has helped in achieving a higher level of self-sufficiency while reducing costs as well.

Aiming for energy efficiency, the Spinning department has operated at optimum levels and has succeeded in reducing costs as well. Motivated by teamwork and open communication, this department continues to seek further success.

COLLAGE - EXTERNAL TRAININGS





INVESTING IN SYSTEM IMPROVEMENTS

ITL has been committed to upgrading infrastructure since its inception. New initiatives to enhance productivity have been taken which match global standards. These initiatives include implementation of the 5S workplace organization system.

Capitalizing on Efficiency through 5S

5S is an original component of the lean manufacturing philosophy devised by Toyota, Japan. This workplace organization system propagates the development of a healthy work environment by enabling employees to unclutter the workspace. 5S engages people through the use of 'Standards' and 'Discipline'. It is not just about housekeeping, but concentrating on maintaining the standards & discipline to manage the organization.

Implementation and success of the 5S process is driven by the internal stakeholders of the company by taking ownership of the process. It is an ongoing process of improvement that requires constant vigilance and endeavor. Accountability is an innate feature of the 5S process as before and after pictures ascertain the progress made.

ITL has engaged PIQC-Institute of Quality to assist with the implementation of the 5S process. Project planning is underway while awareness sessions will be conducted for all ITL units. The project is expected to complete by March 2017.

1. Seiri/Sorting: This first step involves selection and defining target zones within the company. Clutter is sorted and removed to increase productivity. Before and after pictures are also taken to assist in the process.



2. Seiton/Set in Order: Next, all tools, materials and equipment are organized in an efficient and ergonomic manner. Color coding and labels are utilized to assist in this process. New standards are created and verified before this step is completed.

3. Seiso/Shine: Hygiene plays an important role in the 5S process. The third step alludes to the actual cleaning process where the defined work is swept and tided. Sources of potential contaminations are also identified and corrected.

4. Seiketsu/Standardize: This step focuses on the preparation of procedures, checklists, and other mechanisms to ensure sustainability of the first three steps. Workplace diagrams, flowcharts, procedures, work instructions and checklists are developed. Visual aids are drafted to maintain a work environment that is visually instructive, has minimal waste and human error, and is clean, uncluttered, and organized.

5. Shitshuke/Sustain: The last step of the 5S process includes conducting 5S Audits to assess accomplishments and opportunities for improvement. 5S teams benchmark according to performance standards and share ideas for improvement. This ensures that 5S is part of the culture.

The project will close with a logo competition where ITL team members will be awarded a special prize for designing the best logo. ITL seeks to gain an environment friendly workplace with benefits for employees and customers alike.



ITL'S CODE OF CONDUCT

Subsequent to establishment of the Business Practice Office, the code of conduct was developed for ITL. 760 people were trained in the following code of conduct principles:

Health & Safety

Ensuring reasonable care for self and others through items provided by the company.



Political Activity

Prohibition of political activity.



Company Image

Not to bring disrepute to company image.



Conflict of Interest

Self-interest that harms the company.



Intellectual Property

Protection of ITL's intellectual property. Respect for intellectual property of others.



Working Environment

Respect, integrity, no discrimination, professional workplace.



Environment

Preservation of environment through conservation of resources, waste minimization and minimizing harmful gas release.



Confidential Information

Confidentiality to be maintained and caution to be exercised in internal matters.



Gifts

Gifts and money are not to be accepted from external customers/vendors.



Handling of Infringement

Infringement to be reported to the supervisor or compliance officer.



Reporting to the Compliance Officer

No reprisals of reporting infringements in good faith. Violations to be investigated and appropriate measure will be taken.



Legal proceedings

Employee involved in legal proceedings in a personal capacity should inform management.



External Business and Company Resources

Company assets not be used for personal purposes. No commercial venture during working hours.



SUCCESS STORIES @ ITL



M. Nasir joined ITL in 2004 as Stitching Incharge. During his service at ITL he has progressed as Assistant Manager, Garments Division to Manager Production MJS. Currently, Nasir is serving as Manager Operations MJS and is hopeful of progressing as General Manager Production as he has completed his MBA.



M. Tanweer Waseem has been associated with ITL since 2006. He has served as Lab Incharge and Manager Lab Processing. Tanweer is currently the Manager Q.A. Lab / R&D and aims to further his education.



Sumaira Alam joined ITL in 2003 as Quality Controller. She has risen through the ranks at ITL as Finishing Incharge to Senior Incharge Finishing due to her pursuit of knowledge. Sumaira is currently studying for her MBA as she plans to work in merchandising.



S. M. Nisar Ahmed started his affiliation with ITL in 2006 as Maintenance Incharge. He succeeded to Assistant Manager Maintenance and Deputy Manager Maintenance, Processing Department.



Anwar Ahmed Khan, Deputy Manager Electrical & Maintenance, Terry Weaving Department joined ITL in 2002 as Electronic Engineer. He was successful in attaining his Bachelors in Technology during his service at ITL and aims to progress to Manager Electronics & Maintenance in the future.



S. M. Umer Waqas, Deputy Manager Design and Development, Terry Weaving Department joined ITL in 2002 as Designer. He entered at the Executive Cadre and has progressed to the Management Cadre. Umer has started his MBA in hopes of becoming the next Head of Marketing.



M. Farhan Khan joined ITL in 2005 as Assistant to Labor Officer. During the span of 11 years, he has progressed to Personnel Officer, Payroll Incharge, Admin Officer, Assistant Manager Admin to Deputy Manager, Corporate Services. Farhan sees himself as the Chief Operating Officer in the future.



Shujaat Ali started service at ITL in 2005 as Junior Accountant. He progressed as Accountant, Accounts Admin Executive, Senior Accounts Admin Executive, Assistant Manager CS. Currently, he is Deputy Manager Store at ITL due to the MBA degree he attained during service.



Waqif Ali joined ITL in 2005 as Production Clerk, Weaving Department. His professional development as Production Assistant, Production Incharge to Assistant Manager is mainly due to the goals and targets achieved during his service at ITL. Waqif aims to become ITL's General Manager Weaving in the future.



M. Tariq Abbasi started his association with ITL in 2006 as Outside Weaving Quality Controller. He has successfully progressed at ITL as Assistant Yarn Godown, Incharge Yarn Godown, Assistant Manager Yarn & Stores to Assistant Manager Stores. Tariq sees himself attaining the position of Manager Stores in the future.



Zafar Ahmed joined ITL in 1997 as Incharge, Rolling Department. He graduated from University during his service at ITL and advanced as Assistant Manager to Deputy Manager. Zafar aims to progress by becoming Manager Warehouse in the future.



M. Ayub Sheikh started at ITL in 2004 as Checker Garments Department. He graduated from High School & University and rose to Office Assistant, Finishing Supervisor, Incharge Chefwear to Senior Incharge Chefwear. Ayub aims to progress as Manager Production at ITL.

ORGANIZATIONAL DEVELOPMENT

Implementation of Performance Management System

ITL successfully launched a new Performance Management System with the fundamental goal of promoting and improving employee efficiency. This is a continuous process where managers and employees work together to plan, monitor and review an employee's work objectives or goals and his or her overall contribution to ITL.

The Performance Management System is a highly collaborative process that focuses on business results as well as leadership behaviors exhibited by employees. While promoting a 'Pay for Performance' philosophy, the system encourages timely improvements in individual efforts and identifies key personnel for future leadership roles.

Successful Execution of 360° Feedback

Matching global standards, ITL implemented 360 degree feedback to encourage a more transparent and holistic approach to evaluating performances.

360 degree feedback is an assessment process used to improve managerial effectiveness by providing the manager with a comprehensive assessment of employees' performance and developmental needs. It analyzes and processes an employee's feedback by trying to understand their behavior. The process also identifies what an employee can do to maximize their working relationships with other employees by creating self-directed action plans.

Evaluated competencies include communication, task management, leadership skills, team building capabilities, personal development, interpersonal skills, analytical thinking, strategic awareness, decision making abilities, integrity & ethical management amongst others.

Succession Planning

Inculcating the strategic direction of sustainable growth, management at ITL has developed the 'Path to Enlightenment', a future leadership program that focuses on building effective leadership by capitalizing on existing internal human resources. The 'Path to Enlightenment' focuses on improving bench strength by preparing effective managers with capabilities to lead with higher responsibilities in the future.

Successful succession planning supports organizational stability and sustainability by ensuring there is an established process to meet staffing requirements. Having this process in place is vital to the success of the organization because the individuals identified in the plan will eventually be responsible for ensuring that company is able to tackle future challenges.

Managers receiving their 360° Handbook from the Management.

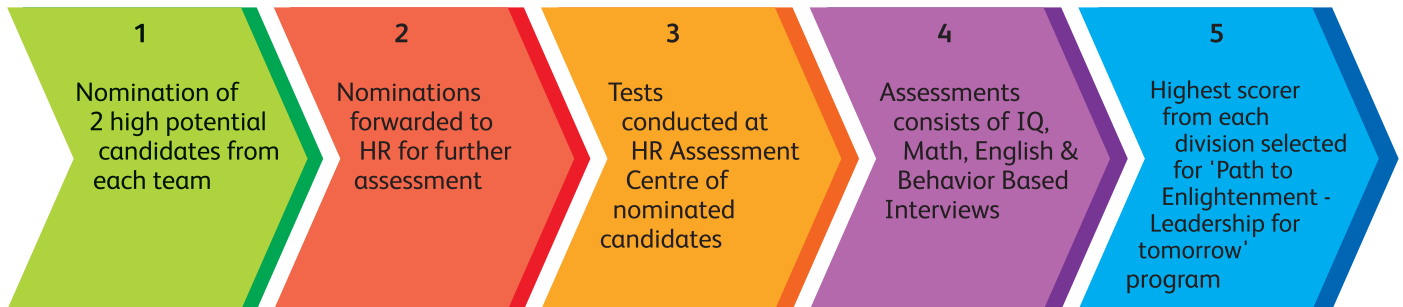


Succession Development Program @ ITL

For effective implementation of the succession planning endeavor, new training modules have been designed that address the skills and competencies needed for tomorrow's business environment.

The process displayed in the graphic highlights the steps of the process. Selection criteria for potential candidates include:

- More than 2 years of work experience at ITL.
- Must be a consistent performer (according to pre-established standards).
- Should possess good Organizational skills/ Interpersonal Skills/ Communication Skills.
- Should be a Team Player.



Launch of the ITL Training Catalogue



Assessments Conducted for Succession Planning



HIGHLIGHTS OF THE YEAR

Collaboration with AKUH, APTMA for Multitex Study

ITL is just one of the member companies of the All Pakistan Textile Manufacturers Association (APTMA) participating in a research project for the Department of Community Health Sciences, Aga Khan University Hospital (AKUH). AKUH is a leading source of medical, nursing and teacher education, research and public service in the developing world with campuses and programs in Pakistan, Kenya, Tanzania, Uganda, Afghanistan and the United Kingdom.

The study aims to evaluate the knowledge, attitude and practices relating to hazards in textile industries and develop context specific training interventions for implementation. ITL employees were provided with Personal Protective Equipment to wear during working hours. The study concluded by assessing change in knowledge level and physical health after the interventions.

The first phase of the study examined the physical health of ITL employees involved in the textile manufacturing process. The second phase consisted of training interventions related to safety and hazard preventions during the working hours.

Employees Health Screenings



ITL Picnic 2016



آغا خان یونیورسٹی ہسپتال، کراچی
The Aga Khan University Hospital, Karachi

APTMA
ALL PAKISTAN
TEXTILE MILLS ASSOCIATION



Cotton dust levels at the textile mill were also measured to assess trends in dust levels at the manufacturing sites. An external occupational health and safety assessment was conducted to help fulfill international guidelines. Employees participating in the study were also provided with occupational health and safety training by AKUH.



EXPANDING INTO THE FUTURE

Seeking greater competitive advantage, ITL has decided to expand operations by investing in a new production facility. Premises for the new production facility are currently under construction and will house specialized terry units such as sizing, weaving, processing and stitching. Terry capacity will be increased by 1,600,000 lbs per month.

The new premises will be spread over 250,000 square ft. comprising of a five floor building based on a vertical approach to incorporate maximum operations in minimum space required. The premises will be equipped with state-of-the-art machinery designed for the latest methods of terry production.

The aim of the expansion is to increase terry capacity while exploring new market opportunities. The proposed machinery will use automated systems decreasing the possibility of human error while increasing cost competitiveness and functionality. Employees at ITL will also be trained to increase technical and management capabilities to improve functionality and produce better quality products.



IMPROVING QUALITY ASSURANCE

Mr. Saad Umar, was nominated by ITL for QMS Lead Auditor training being conducted by PIQC-Institute of Quality, a leading training provider in excellence and quality. A cross functional team of internal quality auditors has been developed by ITL to renew Quality Management Systems (QMS) requirements.

This team of internal auditors is focused on assessing and enhancing performance to match global quality standards. ITL foresees a higher efficiency in operations that comply with global standards of quality.

Internal Audit Team QMS ISO 9001:2008



Syed Saad Umar
Sr. Executive Systems & HR
(Lead Auditor)



Usama Tahir
Sr. Compliance Executive



M. Wajahat U. Khan
Assistant Manager
Payroll



Javed Naseem
Assistant Manager HR



Naveed Ahmed
Assistant Manager
Q.A Terry



Usama Aslam Khan
Jr. Executive HR



Waheed Ahmed
Deputy Manager
Terry Weaving



Abdullah Waqas
Deputy Manager I.A.



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