

## Monitoring summary report for Textile Channel

### MONITORING ID: 24-0234899



Monitored Party <b>Textile Channel</b>	amfori ID <b>586-000666-000</b>	Address <b>Plot No. F-441/A, S.I.T.E, Karachi, Karachi, Sindh, Pakistan</b>
Monitoring Activity <b>amfori Social Audit - Manufacturing</b>	Monitoring Type <b>Full Monitoring</b>	Monitoring Partner <b>ALGI International, Inc.</b>
Monitoring Start Date <b>14/03/2024</b>	Closing Meeting Finished Date <b>15/03/2024</b>	Submission Date <b>27/03/2024</b>
Expiration Date <b>27/03/2026</b>	Announcement Type <b>Fully Announced</b>	
Site <b>Site 1</b>	Site amfori ID <b>586-000666-001</b>	

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## OVERALL RATING



## SECTION RATING

PA1: Social Management System	<b>B</b>	
PA 2: Workers Involvement and Protection	<b>C</b>	
PA 3: The Rights of Freedom of Association and Collective Bargaining	<b>A</b>	
PA 4: No Discrimination, Violence or Harassment	<b>A</b>	
PA 5: Fair Remuneration	<b>B</b>	
PA 6: Decent Working Hours	<b>A</b>	
PA 7: Occupational Health and Safety	<b>A</b>	

PA 8: No Child Labour	<b>A</b>	
PA 9: Special Protection for Young Workers	<b>A</b>	
PA 10: No Precarious Employment	<b>A</b>	
PA 11: No Bonded, Forced Labour or Human Trafficking	<b>A</b>	
PA 12: Protection of the Environment	<b>B</b>	
PA 13: Ethical Business Behaviour	<b>A</b>	

## GENERAL DESCRIPTION

This amfori BSCI full audit was conducted in 1 calendar day (2.5 persons days excluded report writing) of Textile Channel on 14th March 2024, by ALGI Pakistan auditors (Mr. Adil Khalil "Lead auditor" with APSCA CSCA 21704930, Mr. Noman Habib "Team auditor" with APSCA ASCA 21703569, Mr. Muhammad Adeel Khan "Team Auditor" with APSCA ASCA 21700904 and Mr. Muhammad Ejaz "Internal Witness Auditor" with APSCA ASCA 21700894). The factory was established in 2010. The total covered area of factory building is 1.2 Acre. This factory is located at Plot No. F-441/A, S.I.T.E, Karachi, Pakistan.

Factory is the manufacturer of "Bed Sheets, Towels and Knitted Garments".  
The NTN number of factory is "1614968-8".

Audit process: The auditors conducted the opening meeting, factory tour, worker/worker representative/ management interviews, document review and the closing meeting.

### Opening Meeting:

The opening meeting started at 09:05 AM with Mr. Ahmed Mehar Zubairi (Manager HR & Compliance), Mr. Sheikh Mohsin (General Manager), Mr. Raheel Pervaiz (Admin & Compliance executive), Mr. Ammar (HR & Compliance Officer), Mr. Abu Tahir (President Work Council committee) and Mr. Muhammad Ishaq (Health and Safety Committee In-charge) present, commenced the audit process.

The auditors also explained and presented ALGI's Gifts and Gratuity letter to the facility management, where Mr. Sheikh Mohsin (General Manager) agreed and signed the document.

They gave assurance that they're at the auditor's disposal and proved so by providing all the necessary documents in time along with a separate room to conduct employees interview.

Overall, at the time of the facility visit, the attitude of the facility management was good.

Factory has obtained building stability certificate from the governmental approved engineer as per the legal requirement.

Factory provided PPEs as per the production process and define about the production process of the entire factory.

### Health and Safety tour:

Site tour of the entire premises was taken by the auditors and the following areas were visited: Cutting, stitching, quality checking, finishing & packing

### Facility Overview:

Factory consists of 01 building and section wise detail are mentioned below:

#### Building #1

Ground floor is occupied by security office, generator area, time office, HR office, admin office, warehouse, cutting section, towel department, electrical panel room and male toilets.

First floor is occupied by offices, stitching section, quality checking section, packing section, accessories stores and toilets.

Second floor is occupied by stitching section, finishing section, cutting section and packing section.

Third floor is occupied by stitching section, finishing section, prayer area, eating area and toilets.

### Factory timing:

Office staff and production employees working hours are 09:00 AM to 06:00 PM.

Security section operated in three shifts. 07:00 AM to 03:00 PM, 03:00 PM to 11:00 PM and 11:00 PM to 07:00 AM.

All the workers are given one-day rest in a week "Sunday" and workers in security section enjoy their rest day on rotational basis.

Number of workers information:

There are total 225 employees included 192 male and 33 female employees in the factory.  
There are total 225 workers in the factory with 193 production workers and 32 non-production workers.

20 permanent and directly hired workers were randomly selected from different production section for interviews.  
(Sampled periods From March 2023 to February 2024) On sample basis payroll records and time records of the month of February 2024 (Current paid month), November 2023 (Randomly selected paid month) and June 2023 (Initial paid month) were reviewed. Moreover, attendance register, production records, product inspection report and broken needle register were reviewed by the auditors.

There is no peak season and low season in the factory.  
There is no sub-contracting in the factory.

Building ownership information:  
The factory currently possesses ownership of the present location.

#### #Living wage.

Factory has not calculated basic living wage for their employees; however, the data of Basic Living Wage calculation are selected by the auditors through the Global Living Wage Coalition- GLWC website as a benchmark of the Satellite Cities, June, 2023; The current living wages is 43709 PKR. The audit team were unable to compare the result of the calculation, as the auditee has not calculated the BLW.

Factory does have a work council committee instead of union, which is established through fair vote casting system. Work council committee is responsible for conducting meeting after every three months to solve the issues related to workers.

At the end of all the audit processes, a closing meeting was started by the auditors at 5:40 pm in the presence of Mr. Ahmed Mehar Zubairi (Manager HR & Compliance), Mr. Sheikh Mohsin (General Manager), Mr. Raheel Pervaiz (Admin & Compliance executive), Mr. Ammar (HR & Compliance Officer), Mr. Abu Tahir (President Work Council committee) and Mr. Muhammad Ishaq (Health and Safety Committee In-charge). The entire audit process, standard and scope were explained to the people present.

The amfori BSCI code of conduct and the amfori BSCI holistic approach were both explained in detail.

Findings detail: There are some areas of improvement found in other performance areas such as PA1 Social Management System (1.1), PA 2: Workers Involvement and Protection (2.3), PA 5 Fair Remuneration (5.2 and 5.4), PA 7 Occupational Health and Safety (7.1, 7.6, 7.7, 7.16, 7.17 and 7.22), and PA12 Protection of the Environment (12.2 & 12.4).

Mr. Sheikh Mohsin (General Manager) and Mr. Abu Tahir (President Work Council committee) agreed and signed the summary of findings.

Attitude of factory management: The factory management was receptive and extended their full support throughout the audit process. They showed a positive attitude towards the compliance requirements.

There was no special circumstance during the audit.  
There were no dormitory and canteen in the factory and there were not applicable as per the current workers strength.

There are some mandatory attachments, which are not applicable in this audit. Collective bargaining agreement, government waivers, inconsistency between time and production records, photos of dormitories and remediation of the previous findings.

SITE DETAILS

Site

Site amfori ID

Site 1

586-000666-001

GICS Classification

Sector

Consumer Discretionary

Industry Group

Consumer Durables & Apparel

Industry

Textiles, Apparel & Luxury Goods

Sub Industry

Textiles

amfori Process Classifications

N.A.

NACE Classification

N.A.

GS1 Classifications

N.A.

Water Stress Situation

N.A.

# METRICS

## Key Metrics

Total workforce	225	Workers
Legal minimum wage in local currency	32,000	Monthly
Lowest wage paid for regular work at the site	32,000	Monthly
Calculated living wage in local currency	43,709	Monthly
Total sample	20	Workers

## Other Metrics

Male workers	192	Workers
Female workers	33	Workers
Non-binary workers	0	Workers
Permanent workers - Male	187	Workers
Permanent workers - Female	33	Workers
Permanent workers - Non-binary	0	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Temporary workers - Non-binary	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Seasonal workers - Non-binary	0	Workers
Management - Male	32	Workers
Management - Female	0	Workers
Management - Non-binary	0	Workers
Apprentices - Male	0	Workers
Apprentices - Female	0	Workers
Apprentices - Non-binary	0	Workers
Workers on probation - Male	5	Workers
Workers on probation - Female	0	Workers
Workers on probation - Non-binary	0	Workers
Workers with night shift - Male	2	Workers
Workers with night shift - Female	0	Workers
Workers with night shift - Non-binary	0	Workers
Workers with disabilities - Male	0	Workers
Workers with disabilities - Female	0	Workers
Workers with disabilities - Non-binary	0	Workers
Domestic migrant workers - Male	0	Workers
Domestic migrant workers - Female	0	Workers
Domestic migrant workers - Non-binary	0	Workers
Foreign migrant workers - Male	0	Workers

Foreign migrant workers - Female	0	Workers
Foreign migrant workers - Non-binary	0	Workers
Workers hired directly - Male	192	Workers
Workers hired directly - Female	33	Workers
Workers hired directly - Non-binary	0	Workers
Workers hired indirectly - Male	0	Workers
Workers hired indirectly - Female	0	Workers
Workers hired indirectly - Non-binary	0	Workers
Unionised workers - Male	0	Workers
Unionised workers - Female	0	Workers
Unionised workers - Non-binary	0	Workers
Workers under CBA - Male	0	Workers
Workers under CBA - Female	0	Workers
Workers under CBA - Non-binary	0	Workers
Pregnant workers	0	Workers
Workers on parental leave - Male	0	Workers
Workers on parental leave - Female	0	Workers
Workers on parental leave - Non-binary	0	Workers
Sample - Male	17	Workers
Sample - Female	3	Workers
Sample - Non-binary	0	Workers

## FINDINGS

### PA1: Social Management System

Site: Site 1 | Site amfori ID: 586-000666-001

**Question:** 1.1 Is there satisfactory evidence that the auditee has set up an effective management system to implement the amfori BSCI Code of Conduct?

#### ENGLISH

##### Finding

It was evident through documents review and management interviews that factory is in progress to integrate the amfori BSCI code of conduct in day-to-day business activities. However, amfori BSCI COC was not posted in the factory and there are some areas of improvement identified on implementation in the performance areas of Social Management System PA 1, Workers Involvement and Protection PA 2, Fair Remuneration PA 5, Occupational Health and Safety PA 7 and Protection of the Environment PA 12. This is partially in compliance with BSCI COC, because factory has developed list of policies and procedure as per the requirement of local law and BSCI COC and factory management has fully implemented system into rest performance areas.

### PA 2: Workers Involvement and Protection

Site: Site 1 | Site amfori ID: 586-000666-001

**Question:** 2.3 CRUCIAL: Is there satisfactory evidence that the auditee takes specific steps to make workers aware of their rights and responsibilities?

#### ENGLISH

##### Finding

It was evident through documents reviews and workers interviews that facility has trained their employees on 3rd January 2024 upon company social policies and benefits. However, it was noted during workers interviews that 05 out of 20 (25%) sampled workers were found not aware with their insurance scheme (life insurance), social security benefit's, EOBI (Employee Old Age Benefits Institution), Leaves (casual and sick) and local legislation. This is partially in compliance with local law requirement The Industrial Relations Act, 2013 because (75%) sampled workers found aware with legal benefits which is stated that factory management has provided legal benefits training to their workers as per the legal requirement, however there are few workers found unaware with legal rights, therefore this finding rated as partially.

### PA 5: Fair Remuneration

Site: Site 1 | Site amfori ID: 586-000666-001

**Question:** 5.2 Is there satisfactory evidence that wages are paid in a timely, stable and regular manner, and fully in legal tender?

#### ENGLISH



### Finding

It was noted during sampled workers interviews that factory is not practicing to issuing pay slips to their workers.

This is partially in compliance with Local law references The West Pakistan Minimum Wages Rules, 1962: Every employer shall issue to the employees employed in any industry in respect of which minimum rates of wages have been fixed under the provisions of the ordinance, Wage Slip in Form II. Because factory practicing to paid full wage in timely and regularly manner as per the legal requirement. Therefore, this finding rated as partially.

**Question:** 5.4 Is there satisfactory evidence that the auditee provides sufficient remuneration that allows workers to meet a decent standard of living?

### ENGLISH

### Finding

It was evident during documents reviews and management interviews that factory has not calculated Basic living wages for their employees, although company has paid minimum wages according to local law 32000 PKR; However auditor followed the Global Living Wage Coalition- GLWC website as a benchmark for data selection and noted that all the sampled employees in three sampled months (February 2024, November 2023 and June 2023) are found to be paid below the BLW (basic living wage) 43709 PKR according to Global Living Wage Coalition- GLWC website as a benchmark. Although all the sampled workers found earned minimum wage 32000 PKR per month as per legal requirement.

This is not in compliance with BSCI COC requirement and management found unaware with the requirement of BLW. Therefore this finding rated as "No".

## PA 7: Occupational Health and Safety

Site: Site 1 | Site amfori ID: 586-000666-001

**Question:** 7.1 Is there satisfactory evidence that the auditee observes occupational health and safety regulations applicable for its activities?

### ENGLISH

### Finding

It was evident during factory visit, documents review and management interviews that, the auditee partially maintain a good Health and safety system in the workplace. However, the implementation found is not fully in compliance with requirements of the local law as there are some gaps identified in occupational health and safety awareness i.e., Personal protective equipment, Chemicals, Escape Routes and Emergency Exits, Machine and vehicles safety and Workplace and Social Facilities, including housing when provided by the auditee. There is observed that the facility management did not have full monitoring of the management system on site, aiming to minimize the risk of non-compliance with the local H&S regulations. There is not sufficient cooperation between management and workers, when developing and implementing systems towards ensuring OHS (Occupational Health and Safety) (as per BSCI COC).

This finding is rated as partially because there were some gaps found against the regulation in different areas of OHS, but most of the areas of OHS found compliant and factory has implemented the OHS system as per the legal compliance such as installed outward emergency exit doors, proper aisles marking, clean drinking water, first aid boxes with sufficient medical supplies and etc.

**Question:** 7.6 Is there satisfactory evidence that the auditee enforces the use of PPE to provide protection to workers alongside other controls and safety systems?

#### ENGLISH

##### Finding

It was noted during factory visit that:

- 1) Spot cleaner was not wearing required PPEs such as respiratory mask, gloves, shoes, apron and goggles during spot cleaning operations on second floor finishing department.
- 2) Four out of twenty (20%) workers in stitching section on first floor were found with barefoot instead of closed toe shoes/ slippers this can cause the risk of injury during working.
- 3) Two out of ten (20%) workers in cutting section on second floor were found with barefoot instead of closed toe shoes/ slippers this can cause the risk of injury during working.

This is partially in compliance with local law Reference: The Sindh Factories Act 2015 (18) Dust and fume. 18. Section (1), because majority of the workers in the factory found wearing shoes and slippers, mask, gloves as per the job specification which stated that factory management has implemented the system related to PPEs in the factory, therefore this finding rated as partially.

**Question:** 7.7 Is there satisfactory evidence that the auditee implements engineering and administrative control measures to avoid or minimise the release of hazardous substances into the work environment, keeping the level of exposure below internationally established or recognised limits?

#### ENGLISH

##### Finding

It was noted during factory visit that:

- 1) Spot removing chemical bottles were found without identification, MSDS and secondary containment in finishing department on second floor.
- 2) Spot removing area were found not isolated with other production department such as finishing department on second floor.

This is partially in compliance with local law Reference: The Sindh Factories Act 2015 (18) Dust and fume. 18. Section (1), and Government of Sindh, Sindh Environment Protection Agency Notification: Hazardous Substances Rules, 2014. 9 (1). Packing and labeling, because factory has put the effort and manage the chemicals safety into the factory and rest of chemicals (Spot removing agents, diesel and oil) bottles, cans and drums were found compliant as per the local law requirement, therefore this finding is rated as partially.

**Question:** 7.16 Is there satisfactory evidence that the auditee ensures evacuations plans meet legal requirements and that these plans are posted in relevant places so workers can see and understand them?

#### ENGLISH

##### Finding

It was noted during factory visit that:

- 1) One evacuation map in cutting department on ground floor was found blocked by fabrics.
- 2) One evacuation map in stitching section on second floor were found not designed as per current floor layout and designed such as there is only one emergency exit marked instead of three emergency exits.

This is partially in compliance with BSCI COC because there are few evacuation maps found with issues, although rest of the evacuation maps in the factory found as per the compliance which showed the

### Finding

commitment of management toward the requirement of evacuation maps to be posted in the production departments, therefor this finding is rated as partially.

**Question:** 7.17 Is there satisfactory evidence that the auditee ensures adequate safeguards for any machine part, function, or process which may cause injury to workers?

### ENGLISH

### Finding

It was evident during factory visit that:

- 1) Safety work instructions were not posted in three out of three cargo lifts.
- 2) Safety work instructions were not posted on heat transfer machines on second floor finishing section.
- 3) Needle guards were not installed on five out of twelve overlock machines in stitching section on first floor.
- 4) LPG gas cylinders were found not stored with chained grilled and cage on first floor near accessories store.

This is partially in compliance with local law requirement The Sindh Factories Act 2015 Fencing of machinery. (30) (1). Although majority of the stitching machines, bracket fans, exhaust fan, generators, cargo lifts and etc. protected with safety guards such as needle guards, belt covers, safety covers as per the legal requirement which confirms that factory management is implemented the system as per legal requirement related to moving parts but there are few stitching machines and safety work instructions, LPG gas cylinders related issues found in the factory, therefore this finding rated as partially.

**Question:** 7.22 Is there satisfactory evidence that the auditee provides workers with clean washing facilities, changing rooms and toilets that are also respectful of local customs?

### ENGLISH

### Finding

It was noted during factory visit that:

- 1) Uncleaned and dirty hand washing point found on ground floor in the factory.
- 2) No flush tanks were installed on four out of ten male toilets on second floor in the factory.

This is partially in compliance with local law Sindh Factory Act 2015 Latrines and urinals. section 23. Although all the washrooms, male and female rest rooms, eating area provided as per the legal requirement and factory management has maintained workers washrooms as per legal requirement such as clean, hygienic with soap and towel facility, therefore this finding rated as partially.

## PA 12: Protection of the Environment

Site: Site 1 | Site amfori ID: 586-000666-001

**Question:** 12.2 Is there satisfactory evidence that the auditee has procedures in place to ensure integration of local environmental law into the business model?

### ENGLISH

### Finding

It was noted during factory visit, documents reviews and management interviews that:

- 1) Factory has not practiced to conducting gaseous emission testing on quarterly basis as per the legal requirement, although factory has conducted gaseous emission on bi-annual basis.
- 2) Factory has developed policies and procedure as per the local law requirement and factory has contracted with third party waste collecting company to collect the waste (Hazardous and Non-hazardous) from the factory on monthly basis and Management is aware of environmental local law requirements, policies, and procedures. However, the factory has not established a waste storage area within the facility as per legal requirements and the issue highlighted under PA 12.4, indicating a lack of an integrated system for environmental protection.

This is partially in compliance with Local law reference Sindh Environmental Protection Agency Act 2014 No. EPA/TECII/739/2014: Category "B" Industrial Units: An industrial unit in category B shall submit environmental monitoring reports on quarterly basis "Gaseous Emission" and HAZARDOUS SUBSTANCES RULES, 2003, 19, Waste management plan. (1), because factory has developed a series of initiatives for environmental protection but not meeting the requirement of waste storage area and gaseous emission testing. Therefore, this finding is rated as partially.

**Question:** 12.4 Is there satisfactory evidence that waste is managed in a way that does not lead to the pollution of the environment?

### ENGLISH

### Finding

It was evident during factory visit that factory has not established waste storage area within factory premises for hazardous and non-hazardous waste which were generated during production processes. i.e. cutting & fabric waste, metal waste, oil waste, electric cables waste, tube lights, medical waste, electronic waste etc.

This is partially in compliance with local law requirement Local law reference HAZARDOUS SUBSTANCES RULES, 2003 19, Waste management plan. (1), because factory has developed waste segregation policy and procedure and have a contract with third party waste collecting company, which is stated the commitment of management toward the environmental requirement, therefore this finding is rated as partially.