Monitoring summary report for Al-Karam Textile Mills (Pvt) Ltd

MONITORING ID: 23-0228438

amfori
Trade with purpose

Monitored Party **Al-Karam Textile Mills (Pvt) Ltd**	amfori ID **586-000155-000**	Address **HT/11, LANDHI INDUSTRIAL AREA, Karachi, Sindh, Pakistan**
Monitoring Activity **amfori Social Audit - Manufacturing**	Monitoring Type **Full Monitoring**	Monitoring Partner **TUV Rheinland**
Monitoring Start Date **01/01/2024**	Closing Meeting Finished Date **18/01/2024**	Submission Date **18/01/2024**
Expiration Date **18/01/2026**	Announcement Type **Semi Announced**	
Site **Al-Karam Textile Mills (Pvt.) Ltd.**	Site amfori ID **586-000155-002**	

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OVERALL RATING



SECTION RATING

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

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

GENERAL DESCRIPTION

Name of Lead Auditor: Mohammad Adnan CSCA 21701584

Name of team auditor (if applicable): Rashid Mansoor ASCA 21701621

Name of observers, translators, trainees, advisors/consultants (if applicable): Not Applicable

Monitoring partner name: TUV Rheinland

Audit schedule details: The audit is planned for 2 auditors x 6.5 man days (onsite) and 0.5 man day offsite attended for on dated January 01-03, 2024. The audit was initially scheduled for January 1 to 4, 2024, but it was carried out from January 1 to 3, 2024 instead. The man-day was applied according to the amfori requirements, and the change in audit days was agreed upon by the management. This change is also reflected in the audit plan.
Announcement Type: Semi-Announced

Business partner information: Al-Karam Textile Mills (Pvt) Ltd was established in 09th April, 1986 at H.T/11, Landhi Industrial Area Karachi, Pakistan. The business license is valid and has the same address as mentioned on portal and there was no discrepancy observed however, Facility used “Private Limited“ in short or abbreviated form “Pvt) Ltd“ on portal whereas, in business license it is “Private Limited“ it is right to mention these words in both way in Pakistan as fire license used abbreviated form “Pvt) Ltd“. The factory is specialized in yarn, woven finished fabrics and home textiles. The main production processes are Spinning, Weaving, Wet Process, Cutting, Stitching, Finishing, Packing and dispatch. The factory have no peak production months.

Audited location information: The total factory area is 48.53 Acres (2113940) square feet. The factory is not shared with any other facility.

The factory consists of multiple blocks, details as follows;
Block A consist of Ground +1: Ground Floor is occupied by Caustic Recovery/CRU Maintenance, New Raising and Cone Dyeing.
Block B contain Power House at Ground Floor.
Block C consist of Ground +1: Ground Floor is occupied by Power House, Work Shop, Weaving Jacquard, Greige Folding & Section Warping.
First floor is occupied by Power House Offices and Fabric Godown
Block D contain Stores, LOG/MRC at ground floor
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Block A consist of Ground +1: Ground Floor is occupied by Caustic Recovery/CRU Maintenance, Old Raising, New Raising, Cone Dyeing.
Block B contain Power House at Ground Floor.
Block C consist of Ground +1: Ground Floor is occupied by Power House, Work Shop, Weaving Jacquard, AKOS, Gray Folding & Section Warping.
First floor is occupied by Power House Offices, Fabric Godown
Block D contain Stores, LOG/MRC at ground floor
Block E contains Wet process for knitted fabrics at ground floor
Block F contains Processing, Weaving Unit.02-04, Sizing, Cotton Mills A & B, Open End (R-60), Cotton Mills B Canteen, Finished Goods Warehouse, Yarn Warehouse, Centralized Cutting at ground floor.
OFFICERS COLONY: TYPE 'A', ‘B’, ‘C’ BUNGLOWS Child Care and Clinic.
FAMILY QUARTERS are Ground + Two Floor
BACHELORS COLONY: Ground + Two Floor (Line A-C)
Block G contains Groud+2+Sheds, Ground floor has Finished goods warehouse, ETP, QA Office, Fabric storage and Fabric Inspection, Stitching, Checking and Packing, First Floor has Stitching, Finishing, Accessory store and Packing, Second Floor has Stitching, Finishing, Accessory store and Packing, Sheds Floor has Stitching, Canteen and Pray Area
Block H contains ground+two floors, Ground Floor has Printing, First floor has engraving, stitching, checking and packing, second floor has stitching, checking and packing.

Block I contains ground+two floors, all floors have Offices.
Block J contains ground floor-Mosque.

Operating shifts and hours: Factory timings is as follows :
Management employees working hour's starts from 09:00 AM to 06:00 PM. Production employees working hour's starts from 09:00 AM to 06:00 PM. Weaving, Spinning, Cone Dyeing, Sizing & Security department has operates in three shifts from 07:00 AM to 03:00 PM, 03:00 PM to 11:00 PM and 11:00 PM to 07:00 AM.. Working days are six, rest day provided on rotational basis. There is no vulnerable workers (pregnant, young, disabled, foreign/domestic migrant etc.)

Time recording system: The factory has card, bio-metric and face scanning attendance system.

Salary payment details: The factory pays between 07-10th of each month, 01% payments are cash and 99% paid via bank transfer.

Worker number information:
• There are total 7029 employees including workers and management staffs.
• There are total 5300 Production workers (5150 are male and 150 are female)
• There is no vulnerable worker number (e.g., foreign migrant, young, women, pregnant, seasonal, temporary, disabled, home-based workers).
• There is no any other special group workers (interns, apprentices, contractor workers etc.)

Good practices:
1. Factory is providing medical facility to family members of workers free of cost.
2. Factory has provided health insurance to all workers.
3. Factory sends 10 persons on pilgrimage to lucky draw winners every year.
4. Factory is providing transportation facility to all workers free of cost.
5. Factory is funding one School named TCF that has capacity to educate 2200 students every year.
6. Factory has installed RO plant for community.
7. Factory is funding NGO "Make a Wish" to come true wishes of cancer patients.
8. Factory is providing free RASHAN bags to all workers worth 10,000 PKR.
9. Factory is providing foods on subsidized rate in canteen.
10. Factory is providing residency free of cost to all workers.
11. Factory is providing basic amenities on subsidized rate, like hair cutting, Dry cleaning, Tailoring and general items in dormitory.

Worker organization details: Factory management established workers work council. Election was held in 2022. Workers found familiar with the workers representative, committee members and its purpose of foundation. Workers committee conduct meetings on regular basis. Last meeting was held on dated 27 September 2023. There was no union in the factory and no CBA established

Circumstances: There was no special circumstance during the audit.

Summary of findings:
PA1. Social Management System:
i. Factory management has not provided training to all workers on amfori BSCI code as 20 out of 56 workers found unfamiliar with amfori BSCI code requirement.
PA 2. Workers Involvement and Protection :
i. Factory management has provided training to partially workers on amfori BSCI code however 20 out of 56 workers found unfamiliar with amfori BSCI code requirement.
PA 7. Occupational Health and Safety:
i. Hygienic issue and PPE observed.
ii. 05% weaving operators found without ear plug.
iii. Soap and towel found missing

Living wage calculation:
#Living Wage:
1. GWLC living wage is not available for this region hence used company own calculated living wage.
2. Food cost PKR.31008, Housing cost PKR.6700, education cost PKR.3700, healthcare cost PKR 3000, Other non-food non-housing (NFNH) costs PKR.16850, additional fund/saving PKR.2500
3. This estimates the living wage for the workers in Punjab region of Pakistan. The report based on the data collected from filed investigation, Government statistics, research papers and discussion with various stakeholders.
4.Website of Pakistan Bureau of Statistics: http://www.pbscensus.gov.pk

SITE DETAILS

Site
Al-Karam Textile Mills (Pvt.) Ltd.

Site amfori ID
586-000155-002

GICS Classification

Sector
Consumer Discretionary

Industry Group
Consumer Durables & Apparel

Industry
Textiles, Apparel & Luxury Goods

Sub Industry
Textiles

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

N.A.

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	**6,950**	**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	**46,910**	**Monthly**
Total sample	**56**	**Workers**

Other Metrics

Male workers	**6,720**	**Workers**
Female workers	**230**	**Workers**
Non-binary workers	**0**	**Workers**
Permanent workers - Male	**6,002**	**Workers**
Permanent workers - Female	**205**	**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	**1,669**	**Workers**
Management - Female	**60**	**Workers**
Management - Non-binary	**0**	**Workers**
Apprentices - Male	**0**	**Workers**
Apprentices - Female	**0**	**Workers**
Apprentices - Non-binary	**0**	**Workers**
Workers on probation - Male	**765**	**Workers**
Workers on probation - Female	**37**	**Workers**
Workers on probation - Non-binary	**0**	**Workers**
Workers with night shift - Male	**2,960**	**Workers**
Workers with night shift - Female	**0**	**Workers**
Workers with night shift - Non-binary	**0**	**Workers**
Workers with disabilities - Male	**35**	**Workers**
Workers with disabilities - Female	**0**	**Workers**
Workers with disabilities - Non-binary	**0**	**Workers**
Domestic migrant workers - Male	**1,008**	**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	**6,787**	**Workers**
Workers hired directly - Female	**242**	**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	**52**	**Workers**
Sample - Female	**4**	**Workers**
Sample - Non-binary	**0**	**Workers**

FINDINGS

PA1: Social Management System

Site: Al-Karam Textile Mills (Pvt.) Ltd. | Site amfori ID: 586-000155-002

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

Factory has internal social compliance department however, factory management has not provided training to all workers on amfori BSCI code as 20 out of 56 workers found unfamiliar with amfori BSCI code requirement. This question rated partially because factory is meeting most of the legal and BSCI requirements.[amfori BSCI COC].

PA 2: Workers Involvement and Protection

Site: Al-Karam Textile Mills (Pvt.) Ltd. | Site amfori ID: 586-000155-002

Question: 2.4 Is there satisfactory evidence that the auditee builds sufficient competence among managers, workers and workers representatives to successfully embed responsible practices in the business operation?

ENGLISH

Finding

During interview process and documents review it was noted that factory management has provided training to partially workers on amfori BSCI code however 20 out of 56 workers found unfamiliar with amfori BSCI code requirement. This question rated partially because factory provided training on amfori BSCI code and 36 workers were familiar with code.[amfori BSCI COC].

PA 7: Occupational Health and Safety

Site: Al-Karam Textile Mills (Pvt.) Ltd. | Site amfori ID: 586-000155-002

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

ENGLISH

Finding

Factory has established social management system manual as per amfori BSCI requirements, however, health and safety issues observed such as; hygienic issue and PPE observed. This question rated partially because factory has followed most of legal and amfori BSCI requirement [amfori BSCI COC].

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

During site visit, 05% weaving operators found without ear plug. Sindh Occupational Safety and Health Rules, 2019, SAFETY AND HEALTH (SECTION 10,
(B) ILLUMINATION, VENTILATION, TEMPERATURE, NOISE, DUST, FUME AND ARTIFICIAL HUMIDIFICATION. This question rated partially because factory has followed most of legal and amfori BSCI requirement [amfori BSCI COC].

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

During site tour, soap and towel found missing on ground floor in workers colony . Rule 42 (c) Sindh Factory Rules 1975. This question rated partially because factory provided toilet facilities [amfori BSCI COC].