

Monitored Party Al Ghani Terry Mills (Pvt.) Ltd.	amfori ID 586-000142-000	Address 216 Barra Muhammad Wala, 3-Km By Pass Chowk Jaranawala Road, 38000 Faisalabad, Punjab, Pakistan
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner Intertek
Monitoring Start Date 19/03/2024	Closing Meeting Finished Date 18/04/2024	Submission Date 18/04/2024
Expiration Date 18/04/2026	Announcement Type Semi Announced	
Site Al Ghani Terry Mills (Pvt.) Ltd.	Site amfori ID 586-000142-002	

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OVERALL RATING



SECTION RATING

PA1: Social Management System	B	
PA 2: Workers Involvement and Protection	B	
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: Umer Khayyam, APSCA No. CSCA 21703123

Name of the team auditor: None

Name of observers, translators, trainees, advisors/consultants (if applicable): None

Monitoring partner name: Intertek Pakistan Pvt. Ltd.

Audit schedule details: the audit is planned for 1 auditor x 1.5 days. The audit dates are March 19-20, 2024. The audit activity was 1 days of audit and 0.5 day for reporting.

Announcement Type: semi-announced audit

Business partner information:

Al-Ghani Terry Mills is a Private Limited company which is established in 2012. The facility has maintained all business licenses as required to be necessary for its operations e.g., Labour Registration Certificate No. 2022010800140 dated 15-01-2022. The facility is located on 216 Bara Muhammad Wala, 3KM Bypass Chowk, Jaranwala Road, Faisalabad, Pakistan. The land site and buildings are rented from a local party. There is no accommodation provided to the factory workers. Total land area is 72862 sqft and covered area is 45840 sqft.

There are 2 building blocks with following details:

Building 1: Ground Floor: Security & Offices, Generator Area

Building 2: Ground Floor: Production Departments, Boiler Area, Scrap Area, and Stores.

Main Products of the facility include manufacturing of Terry articles.

Operating shifts and hours: For the audit purpose, the total sampled period was 12 months (March 2023 till Feb 2024)

There is 1 general shift for the facility that operate from 0900-1800 hours. Only security personnel operate in 3 shifts i.e., 0700-1500 hours, 1500-2300 hours, and 2300-0700 hours. All shifts include one hour break in the middle. Sunday is marked as designated rest day.

Time recording system: RFID Card Scan is implemented for time recording.

Salary payment details: Salary is distributed on 7th of every month. All management salaries are distributed through bank transfer. Workers' staff salaries are distributed through cash and bank transfer. Highest and average wage paid per month: highest wage paid at worker level: 48000 PKR, average wage paid: 36000 PKR.

Living wage calculation: the calculated #LivingWage as per Anker Methodology is PKR 39938 monthly.

Worker number information:

- Total worker number (production and management workers) = 49
- Production worker number = 30
- Vulnerable worker number = No vulnerable workers found during the audit.
- Any other special group workers (interns, apprentices, contractor workers etc.) = None

On the day of the audit, all 49 workers were present.

Minimum age found at the audited producer: 19 years.

Good practices: Free food during office hours

Circumstances: Due to a malfunctioning of the auditor's computer system, PDF report could not be extracted on-site. It was later sent to the client one day later and was signed by the company representative and workers representative in the presence of the auditor.

Worker organization details: Joint Work Council is facilitated by the organization to provide for an alternate means of worker representation in the absence of a registered labour union. 'Joint Work Council' elections were last held on 20-10-2022 and 6 members were elected from the workers whereas 2 were nominated by the management. Last meeting of the JWC was held on 13-02-2024.

Following documents were not updated as they were not found applicable:

- Contractor License Permit - as there is no contractor engaged at the site at this point.
- Agency Labour Contract - as no agency labour is engaged at the moment.
- No Government Waivers were found obtained by the factory.
- No collective bargaining agreement in place as there is not registered labour union in the factory.

Summary of findings: following nonconformities were raised during the audit:

1- Performance Area 1: PA1.1 – There are certain nonconforming areas observed and reported in some of the subsequent performance areas as reported, hence nonconformance is reported against 1.1 - effective management system to implement amfori BSCI code of conduct. Some areas were found compliant in the management system hence partial finding is raised in this domain.

2- Performance Area 2: Findings raised pertaining to:

a) PA2.2 – specific goals with measurable KPI in social compliance not available hence a partial finding is raised.

b) PA2.5 – grievance mechanism not detailed for stakeholders other than employees hence a partial finding is raised.

3- Performance Area 5: PA5.4 – living wage document was not found updated hence a partial finding is raised.

4- Performance Area 7: Findings raised pertaining to:

a) PA7.4 – Partial NC raised for lack of evidence of involvement of workers in development of OHS risk assessment.

b) PA7.7 – Partial NC raised on unavailability of MSDS for lubricant storage.

c) PA7.25 - Partial NC raised on poor housekeeping in stores - Partial because other areas found safe and clean. NC statement is elaborated after the audit as part of response to a review query.

SITE DETAILS

Site
Al Ghani Terry Mills (Pvt.) Ltd.

Site amfori ID
586-000142-002

GICS Classification

Sector	Industry Group	Industry
Consumer Discretionary	Consumer Durables & Apparel	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	49	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	39,938	Monthly
Total sample	10	Workers

Other Metrics

Male workers	49	Workers
Female workers	0	Workers
Non-binary workers	0	Workers
Permanent workers - Male	49	Workers
Permanent workers - Female	0	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	3	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	0	Workers
Workers on probation - Female	0	Workers
Workers on probation - Non-binary	0	Workers
Workers with night shift - Male	12	Workers
Workers with night shift - Female	0	Workers
Workers with night shift - Non-binary	0	Workers
Workers with disabilities - Male	2	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	49	Workers
Workers hired directly - Female	0	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	10	Workers
Sample - Female	0	Workers
Sample - Non-binary	0	Workers

FINDINGS



PA1: Social Management System

Site: Al Ghani Terry Mills (Pvt.) Ltd. | Site amfori ID: 586-000142-002

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

1.1 - There are certain nonconforming areas observed and reported in some of the subsequent performance areas as reported, hence nonconformance is reported against effective management system to implement amfori BSCI code of conduct hence an NC is raised in 1.1. The reported NC is partial as most of other performance area requirements are found to be compliant.



PA 2: Workers Involvement and Protection

Site: Al Ghani Terry Mills (Pvt.) Ltd. | Site amfori ID: 586-000142-002

Question: 2.2 Is there satisfactory evidence that the auditee defines long-term goals for protecting workers in line with the aspirations of the amfori BSCI Code of Conduct?

ENGLISH

Finding

Although the organisation has established certain initiatives for improvement of working conditions in the facility however specific goals with relevant measurable KPI in social compliance are not found formally documented. A Partial NC is raised because the goals were found somehow documented.

Question: 2.5 Is there satisfactory evidence that the auditee has established, or participates in, an effective operational-level grievance mechanism for individuals and communities?

ENGLISH

Finding

Although a grievance mechanism is documented, however this is primarily focusing on the complaints of workers. No such mechanism found detailed for other stakeholders including community. The NC is raised as partial because documented mechanism is available for some stakeholders but not all.



PA 5: Fair Remuneration

Site: Al Ghani Terry Mills (Pvt.) Ltd. | Site amfori ID: 586-000142-002

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

During documentation review of wages records for the months of August, October, and December 2023, it was noted that although the factory is paying above the legal minimum wage defined by the government however the living (basic need wage) was not found updated for the year 2023. The NC is raised as Partial because the living wage is at least documented, and workers are getting some benefits.

PA 7: Occupational Health and Safety

Site: Al Ghani Terry Mills (Pvt.) Ltd. | Site amfori ID: 586-000142-002

Question: 7.4 Is there satisfactory evidence of active cooperation between management and workers (and/or their representatives) when developing and implementing systems towards ensuring OHS?

ENGLISH

Finding

During review of the risk assessment document, it was verified that evidence of cooperation and involvement of workers of respective areas while documenting the risks associated with their work was not ensured as no documented evidence of such interaction could be verified. The NC is raised as Partial because workers were found aware of the risk assessment document.

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

MSDS was not found available with lubricant storage in accordance with legal requirement. Handling, manufacture, storage, import of hazardous waste and hazardous substances Rules, 2016, Rule-16: (2) An occupier, who has control of an industrial activity in term of sub-rule 1 of this rule, shall arrange to obtain or develop information in the form of material safety data sheet. The information shall be accessible upon request for reference. NC was raised as Partial because MSDS was available with rest of chemicals.

Question: 7.25 Is there satisfactory evidence the auditee verifies that temperature, humidity, space, sanitation, illumination are adequate for the health and safety of workers?

ENGLISH

Finding

During site tour, poor housekeeping was observed at accessories stores and associated areas i.e., dirt on the floor. The Civil Defence Act 1951 (Rule 9, Schedule II) requires the disposal of all unwanted items at a regular interval to ensure good housekeeping.