



## Internal Audit Report & CAP

Ananta Garments Ltd.  
Ananta Sportswear Ltd.

<b>Company Name :</b>	Ananta Garments Ltd/ Ananta Sportswear Ltd.
Address	Nischintapur, Ashulia, Savar, Dhaka-1341
Audit Reference Number	AGL & ASL - 007
Audit Date	24 Oct 2019
Auditor Name:	Mr. Ashim kumar Majumder – Sr. DGM (Compliance), Mahmudul Haq -Asst. Manager (Compliance), Monwara Begum- Sr. Executive (Compliance) and Mita Yasmin -Sr. Executive (Welfare)
Company Representative Acknowledgement;	Mr. Jakiul Alam & Mr. Zahir Uddin
Audit Standard :	Social Compliance
Audit Type:	Follow up
Opening Meeting	9.30 A.M
Factory Tour	10.30 A.M -12.30 PM
Worker Interview	12.30 – 1.00 P.M (with P/File)
Document Review	2.00 P.M – 4.30 P.M
Report writing	4.30 P.M. – 5.50 P.M
Closing Meting	6.00 P.M.
% of NC (IA)	
Audit Result	<b>Satisfactory/Yellow</b>
Next Follow up Audit Date	<b>Dec-2019</b>



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## Short Description

This factory was established in 1992. It is 9 storied building, 42,000 sqf/floor and TTL space 3,78,000 sqf.

Warehouse/store area	– 40,000 sqf,
Production area	– 312,000 sqf
Office & Others	– 26,000 sqf

This building is owned and approved by proper authority. Generator is located on ground floor of the main building, Boiler and are out of the main building.

This building has 4 Exits and 5 stair. Each stair width is above 6 feet.

Recent Buyer – GAP, H&M, Justice, Miles, Loblaw, Wal mart,

Production Capacity – 11, 00,000 pcs/month

1. TTL Line – 42
2. TTL Employee – 6500
3. TTL Machine – 3000



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### 4. Manpower details –

Sl. No.	Designation	Number
1	Machine Operator	2885
2	Cutting Section	220
3	Packer/Finishing	988
4	Sewing Helper & Pressing man	895
5	QI (Sewing & Finishing)	547
6	Other (Cleaner, Guards & Gardener etc)	265
7	<b>Total number of workers</b>	<b>5800</b>

Sl. No.	Designation	Number
1	Permanent worker	5800
2	Probationary worker	0
3	Trainee/ apprentices	0
4	Daily workers	0
5	Number of Male worker	2030
6	Number of female worker	3770
7	Percentage of worker turnover per year	4%

### Floor Layout – (9 storied building)

#### Mail Building

Ground Floor – Fabric Inspection, Warehouse, Accessories Store, Finished Goods

Store, Medical, Generator & Substation.

1st Floor – Office, Finishing, Packing

2nd Floor – Office, Finishing, Packing,

3rd Floor – Sewing,

4th Floor – Office, Sewing, Sample, Packing

5th Floor - Sewing, Accessories Store

6th Floor- Sewing, Finishing

7<sup>th</sup> Floor- Sewing, Sample

8<sup>th</sup> Floor- Cutting, Sample, CAD



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### Sheds: ( 01-18 )

Boiler, Workshop, Generator, Canteen, Worker Dining, Tuck & Bartack, Day Care Centre, Embroidery & Elastic, Leftover Store, Waste, Reject Section, Security Dormitory, Staff Mess, Stationary store.

### Legal Documents:

Sl. No.	Certificates/License	Yes	NO	N/A	Remarks
1	Factory License	√			
2	Fire License	√			
3	Trade License	√			
4	Incorporation certificate	√			
5	Bond License	√			
6	Boiler License	√			
7	Boiler Operator Certificate	√			
8	Doctor Certificate	√			
9	Nurse Certificate	√			
10	Electrician competency certificate	√			
11	Group Insurance	√			
12	Drinking Water Test Report	√			
13	ERC/IRC	√			
14	EPB	√			
15	Environment Certificate	√			
16	Fire Insurance	√			
17	BGMEA Membership	√			
18	Building Approval Plan	√			
19	Factory layout plan	√			



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## Policy

Sl. No.	Certificates/License	Yes	NO	N/A	Remarks
1	Recruitment Policy	√			
2	Discrimination Policy	√			
3	Anti-Harassment & Abuse Policy	√			
4	Forced Labor Policy	√			
5	Freedom of Association	√			
6	Grievance Policy	√			
7	Settlement and Compensation Policy	√			
8	Emergency Preparedness Policy	√			
9	Environment Policy	√			
10	Health and Safety Policy	√			
11	Subcontract Policy	√			
12	Maternity Policy	√			
13	Wage and Benefit policy	√			
14	Working Hour Policy	√			

## List of Fire Fighting Equipment

Sl. No	Equipment Name	Quantity
1	DCP Extinguisher	330
2	Co2	156
3	Foam	3
4	Gas Mask	80
5	Fire Blanket	28
6	Fire Bucket	68
7	Helmet	63



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8	Hand Gloves	73
9	Gong Bell	14
10	Torch light	6
11	Emergency light	235
12	Exit light box	52
13	First Aid Box	29
14	Stretcher	7
15	Lock Cutter	5
16	Sprinkler Head	3400

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Sl. No	Rating	Audit Findings	Factory Action Plan	Responsible persons	Completion date
<b><u>Workers Basic Rights</u></b>					
1.1	NI	<p>Approximately 2 out of 15 interviewed new workers informed that they received the appointment letter with a 2 days delay from their joining date. The case is found in sewing section.</p> <p><b><u>1st Follow up:</u></b> Approximately 2 out of 20 interviewed new workers informed that they received the appointment letter with a 2 days delay from their joining date. In one case, found that one worker of sewing section at 4<sup>th</sup> floor.</p> <p><b><u>2nd Follow up:</u></b> During factory tour and worker interview it is found that they received their appointment letter in joining date.</p>	<p>Factory will provide appointment letter with joining date</p> <p><b><u>1st Follow up:</u></b> factory should provide appointment letter on the joining date.</p> <p><b><u>2nd Follow up:</u></b> Corrected</p>	Tansif Danesh Manager Admin	Immediate
1.2	CI	<p>The interviewed members of PC committee were not adequately aware about their Roles and Responsibilities as they did not exercise their roles and responsibilities properly in work place.</p> <p><b><u>1st Follow up:</u></b> The interviewed members of PC committee were not adequately aware about their Roles and Responsibilities as they did not exercise their roles and responsibilities properly in work place.</p> <p><b><u>2nd Follow up:</u></b> The interviewed members of PC committee were aware about their Roles and Responsibilities. During interview it was found that Safety committee</p>	<p>Factory will give proper training to the workers on this issue.</p> <p><b><u>1st Follow up:</u></b> Factory need to increase their training mechanism. As per record training is ongoing according to training plan.</p> <p><b><u>2nd Follow up:</u></b> Factory need to increase their training mechanism.</p>	Ms. Shewly	31 Dec-19



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		members are not well aware about their roles and responsibilities.			
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## Compensation

2		Inconsistency about the workers compensation is not found.			
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## Contracts, Human Rights & Grievance

3.1	CI	<p>2 Out of 10 checked service books were not updated about earn leave encashment information.</p> <p><b>1<sup>st</sup> Follow up:</b> During Documents review found Earn leave is updated in Service book</p>	<p>Factory will take initiative to update accordingly</p> <p><b>1<sup>st</sup> Follow up:</b> Corrected</p>	<p>Tansif Danesh Manager Admin</p>	
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3.2	NI	<p><b><u>New Issue:</u></b> 2 out of 15 workers interviewed found unaware about Grievance procedure.</p> <p><b><u>1st Follow up:</u></b> Interviewed workers are found well aware about Grievance procedure.</p>	<p><b><u>1st Follow up:</u></b> Corrected</p>		
<b><u>Occupational Health &amp; Safety</u></b>					
4.1	IA	<p>Needle Guards in approximately 30% of the single Needle machines were fixed inappropriately which cannot protect workers from injury. Eye guards missing in appropriately 20% lovelock and flat lock machines.</p> <p><b><u>1st Follow up:</u></b> During factory tour it was found Eye guard is functional but Needle Guards and single Needle machines were fixed inappropriately which cannot protect workers from injury.</p> <p><b><u>2nd Follow up:</u></b> During factory tour it was found that worker are not conscious about eye guard and Needle guard. They feel comfortable while working with displaced eye guard and needle guard</p>	<p>Factory will take necessary action immediately on this issue.</p> <p><b><u>1st Follow up:</u></b> Advice to the factory management to increase their monitoring.</p> <p><b><u>2nd Follow up:</u></b> Factory should arrange proper training and awareness program to make the worker conscious</p>	Jakiul Alam GM Admin	31 Dec-19
4.2	CI	<p>It was observed from workers interviewed that workers don't have clearly knowledge about HIV/AIDS</p> <p><b><u>1st Follow up:</u></b> during documentation reviewed it was observed from workers interviewed that workers inadequate knowledge about HIV/AIDS</p> <p><b><u>2nd Follow up:</u></b> Interviewed workers are found well aware of HIV/AIDS</p>	<p>Informed factory Compliance admin and welfare department regarding this issue and advice not to allow this type of practice in the factory. Facility will give proper training to the workers on this issue.</p> <p><b><u>1st Follow up:</u></b> Advice to the factory management to enhance training mechanism.</p>	Ms. Shewly	31 Dec'19



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			<b>2<sup>nd</sup> Follow up:</b> corrected		
4.3	IA	<p>During factory tour it is found that some sewing operators are partially block by the table 5<sup>th</sup> and 7<sup>th</sup> floor.</p> <p><b>1<sup>st</sup> Follow up:</b> During factory tour it is found that some sewing operators are partially block by the table 3<sup>rd</sup> floor.</p> <p><b>2<sup>nd</sup> Follow up:</b> During factory tour it is found ok</p>	<p>Factory will take necessary action immediately</p> <p><b>1<sup>st</sup> Follow up:</b> Advice to the factory management to increase their monitoring.</p> <p><b>2<sup>nd</sup> Follow up:</b> corrected</p>	Habibur Rahman	Immediate
4.4	NI	<p>During Floor tour found that in 2 female toilet cover bin is broken at 3<sup>rd</sup> floor</p> <p><b>1<sup>st</sup> Follow up:</b> During Floor tour it is found ok</p>	<p>Factory will take necessary action immediately</p> <p><b>1<sup>st</sup> Follow up:</b> Corrected</p>	Sajib Admin	Immediate
4.5	IA	<p>During Documentation review found that Thread Sucking Operator did not use adequate PPE</p> <p><b>1<sup>st</sup> Follow up:</b> During Floor tour it is found ok</p>	<p>Factory will take necessary action</p> <p><b>1<sup>st</sup> Follow up:</b> Corrected</p>	Kanon	Immediate
4.6	IA	<p><b>New Issue</b> During factory tour smoke detector is found missing in chemical storage and waste storage area beside boiler room</p>			

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4.7	IA	<p><b><u>New Issue</u></b> In cutting section it was found that three cutter man were using metal gloves which were torn.</p>			
<p><b><u>Chemical Management</u></b></p>					
5.1	NI	<p>During factory tour found 1 machine oil drum missing proper labeling at chemical store. Secondary containment was not adequately provided for acetone, Mobil and machine oil</p> <p><b><u>1st Follow up:</u></b> During factory found Diesel drum labeling missing near Boiler room.</p> <p><b><u>2nd Follow up:</u></b> MSDS, Labelling, secondary containment is found ok during factory tour</p>	<p>Informed factory management to take necessary action immediately.</p> <p><b><u>1st Follow up:</u></b> Advice to the factory management to increase their monitoring.</p> <p><b><u>2nd Follow up:</u></b> corrected</p>	Monirul Islam EMS	Immediate
5.2	NI	<p>During Documentation review found chemical inventory sheet available but need to increase ventilation system in chemical storage area.</p> <p><b><u>1st Follow up:</u></b> During Floor tour the issue is found ok</p>	<p>Factory will take necessary action.</p> <p><b><u>1st Follow up:</u></b> Corrected</p>	Monirul Islam EMS	30 April'19
<p><b><u>Training</u></b></p>					
6.1	CI	<p>During documentation review found MID Level Management training is available as per their training plan but their knowledge is not satisfactory level.</p> <p><b><u>1st Follow up:</u></b> During documentation review found</p>	<p>Informed factory management to take necessary action on it accordingly.</p> <p><b><u>1st Follow up:</u></b> Advice to the factory management to increase their</p>	Atif & Ripon	31 Dec'19



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	<p>MID Level Management training is available as per their training plan but their knowledge is not satisfactory level.</p> <p><b><u>2<sup>nd</sup> Follow up:</u></b> MID Level Management training is available as per their training plan and their feedback was satisfactory</p>	<p>monitoring and training.</p> <p><b><u>2<sup>nd</sup> Follow up:</u></b> Corrected</p>		
<b><u>Child Labor</u></b>				
7.1	<p>No Child Labor Found</p> <p><b><u>1<sup>st</sup> Follow up:</u></b> Same as Above.</p>			
<b><u>Forced Labor</u></b>				
8.1	<p>No Found Forced Labor issue</p> <p><b><u>1<sup>st</sup> Follow up:</u></b> Same as Above.</p>			
<b><u>FOA/PC</u></b>				
9.1	<p>Factory have elected Participation committee as per law</p> <p><b><u>1<sup>st</sup> Follow up:</u></b> Same as Above.</p>			
<b><u>Safety Committee</u></b>				
10.1	<p>Factory have functional Safety committee.</p> <p><b><u>1<sup>st</sup> Follow up:</u></b> Same as Above.</p>			



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## Working Hour

IA	<p>OT hours are not in legal limit last 3 month salary sheet review of sewing, cutting and finishing as follows:</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"></th> <th style="text-align: center;"><u>Sew</u></th> <th style="text-align: center;"><u>Finishing</u></th> <th style="text-align: center;"><u>Cutt</u></th> </tr> </thead> <tbody> <tr> <td>Jan-18</td> <td style="text-align: center;">85</td> <td style="text-align: center;">105</td> <td style="text-align: center;">90</td> </tr> <tr> <td>Feb-18</td> <td style="text-align: center;">79</td> <td style="text-align: center;">92</td> <td style="text-align: center;">71</td> </tr> <tr> <td>Mar-18</td> <td style="text-align: center;">95</td> <td style="text-align: center;">99</td> <td style="text-align: center;">93</td> </tr> </tbody> </table> <p>Highest Overtime found 105 hours</p> <p>Sewing section Maximum 12 hours in a day and 70 hours in a week. Finishing section Maximum 12 hours in a day and 76 hours in a week. Cutting section Maximum 12 hours in a day and 70 hours in a week.</p> <p><b><u>1<sup>st</sup> Follow up:</u></b> OT hours are not in legal limit last 3 month salary sheet review of sewing, cutting and finishing as follows:</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"></th> <th style="text-align: center;"><u>Sew</u></th> <th style="text-align: center;"><u>Finishing</u></th> <th style="text-align: center;"><u>Cutt</u></th> </tr> </thead> <tbody> <tr> <td>Apr-18</td> <td style="text-align: center;">77</td> <td style="text-align: center;">92</td> <td style="text-align: center;">95</td> </tr> <tr> <td>May-18</td> <td style="text-align: center;">49</td> <td style="text-align: center;">89</td> <td style="text-align: center;">75</td> </tr> <tr> <td>June-18</td> <td style="text-align: center;">17</td> <td style="text-align: center;">50</td> <td style="text-align: center;">26</td> </tr> </tbody> </table> <p>Highest Overtime found 95 hours</p> <p>Sewing section Maximum 10 hours in a day and 56 hours in a week. Finishing section Maximum 12 hours in a day and 72 hours in a week.</p>		<u>Sew</u>	<u>Finishing</u>	<u>Cutt</u>	Jan-18	85	105	90	Feb-18	79	92	71	Mar-18	95	99	93		<u>Sew</u>	<u>Finishing</u>	<u>Cutt</u>	Apr-18	77	92	95	May-18	49	89	75	June-18	17	50	26	<p>Informed to factory Management to reduce OT limit.</p> <p><b><u>1<sup>st</sup> Follow up:</u></b> Advice to the factory management to increase their monitoring.</p> <p><b><u>2<sup>nd</sup> Follow up:</u></b> Advice to the factory management to increase their monitoring.</p>	30 Sep'19
	<u>Sew</u>	<u>Finishing</u>	<u>Cutt</u>																																
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	<p>Cutting section Maximum 12 hours in a day and 70 hours in a week.</p> <p><b><u>2<sup>nd</sup> Follow up:</u></b> OT hours are not in legal limit last 3 month salary sheet review of sewing, cutting and finishing as follows:</p> <table style="margin-left: 40px; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"></th> <th style="text-align: center;"><u>Sew</u></th> <th style="text-align: center;"><u>Finishing</u></th> <th style="text-align: center;"><u>Cutt</u></th> </tr> </thead> <tbody> <tr> <td>July-18</td> <td style="text-align: center;">50</td> <td style="text-align: center;">45</td> <td style="text-align: center;">39</td> </tr> <tr> <td>Aug-18</td> <td style="text-align: center;">26</td> <td style="text-align: center;">25</td> <td style="text-align: center;">11</td> </tr> <tr> <td>Sep-18</td> <td style="text-align: center;">25</td> <td style="text-align: center;">28</td> <td style="text-align: center;">28</td> </tr> </tbody> </table> <p>Highest Overtime found 50 hours</p> <p>Sewing section Maximum 10 hours in a day and 56 hours in a week.</p> <p>Finishing section Maximum 10 hours in a day and 60 hours in a week.</p> <p>Cutting section Maximum 10 hours in a day and 60 hours in a week.</p> <p>The working hour condition is found improved than previous follow up</p>		<u>Sew</u>	<u>Finishing</u>	<u>Cutt</u>	July-18	50	45	39	Aug-18	26	25	11	Sep-18	25	28	28			
	<u>Sew</u>	<u>Finishing</u>	<u>Cutt</u>																	
July-18	50	45	39																	
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Violation Code	Violation Rate	Result	Nest Audit/Step
ZT	1%	Red/Zero Tolerance	Within 20 days
IA	0 – 30%	Continuous Improvement/Excellent	Within 4 months
IA	31 – 40%	Satisfactory	Within 3 months
IA	41 – 60%	Needs Improvement	Within 1 month
IA	60% above	Red/Zero Tolerance	Within 20 days
NI	Only NI	Needs Improvement	Within 1 month
ST	Only ST	Satisfactory	Within 3 months
CI	Only CI	Continuous Improvement/Excellent	Within 4 months

Excellent - Green  
 Satisfactory - Yellow  
 Need Improvement - Orange  
 Zero Tolerance - Red

<b>Ashim</b>	<b>Mahmud</b>	<b>Monwara</b>	<b>Mita</b>

**Signature of Auditors**



**Factory Representative**