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Auditee :	<b>Ananta Jeanswear Ltd.</b>
Audit Date From :	<b>13/08/2020</b>
Audit Date To :	<b>13/08/2020</b>
Expiry Date of the Audit :	<b>Please refer to the producer profile in the amfori BSCI platform</b>
Auditing Company :	<b>ALGI</b>
Auditor's Name(s) :	<b>Shakil Ahmed(Lead)</b>
Auditing Branch (if applicable) :	<b>ALGI Bangladesh</b>

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This is an extract of the on line Audit Report. The complete report is available in the amfori BSCI Platform.  
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## Rating Definitions



Rating	A combination of ratings per Performance Area where:	Consequence																																							
<b>A</b> <b>Very Good</b>	<ul style="list-style-type: none"><li>• Minimum 7 Performance Areas rated A</li><li>• No Performance Areas rated C, D or E</li></ul> These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr></table>	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	B	B	B	A	A	A	A	A	A	A	B	B	B	B	B	B	The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.
A	A	A	A	A	A	A	A	A	A	A	A	A																													
A	A	A	A	A	A	A	A	A	A	B	B	B																													
A	A	A	A	A	A	A	B	B	B	B	B	B																													
<b>B</b> <b>Good</b>	<ul style="list-style-type: none"><li>• Maximum 3 Performance Areas rated C</li><li>• No Performance Areas rated D or E</li></ul> These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td></tr><tr><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td></tr></table>	A	A	A	A	A	A	B	B	B	B	B	B	B	A	A	A	A	A	B	B	B	B	B	B	B	C	B	B	B	B	B	B	B	B	B	B	C	C	C	The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.
A	A	A	A	A	A	B	B	B	B	B	B	B																													
A	A	A	A	A	B	B	B	B	B	B	B	C																													
B	B	B	B	B	B	B	B	B	B	C	C	C																													
<b>C</b> <b>Acceptable</b>	<ul style="list-style-type: none"><li>• Maximum 2 Performance Areas rated D</li><li>• No Performance Areas rated E</li></ul> These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>C</td><td>C</td><td>C</td><td>C</td></tr><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td></tr><tr><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td></tr></table>	A	A	A	A	A	A	A	A	A	C	C	C	C	A	A	A	A	A	B	B	B	B	C	C	C	D	C	C	C	C	C	C	C	C	C	C	C	D	D	The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.
A	A	A	A	A	A	A	A	A	C	C	C	C																													
A	A	A	A	A	B	B	B	B	C	C	C	D																													
C	C	C	C	C	C	C	C	C	C	C	D	D																													
<b>D</b> <b>Insufficient</b>	<ul style="list-style-type: none"><li>• Maximum 6 Performance Areas rated E</li></ul> These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>D</td><td>D</td><td>D</td></tr><tr><td>A</td><td>A</td><td>A</td><td>B</td><td>B</td><td>B</td><td>C</td><td>C</td><td>C</td><td>D</td><td>D</td><td>D</td><td>E</td></tr><tr><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr></table>	A	A	A	A	A	A	A	A	A	A	D	D	D	A	A	A	B	B	B	C	C	C	D	D	D	E	D	D	D	D	D	D	D	D	E	E	E	E	E	The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.
A	A	A	A	A	A	A	A	A	A	D	D	D																													
A	A	A	B	B	B	C	C	C	D	D	D	E																													
D	D	D	D	D	D	D	D	E	E	E	E	E																													
<b>E</b> <b>Unacceptable</b>	<ul style="list-style-type: none"><li>• Minimum 7 Performance Areas rated E</li></ul> These are three examples: <table><tr><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>A</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr><tr><td>A</td><td>A</td><td>B</td><td>B</td><td>C</td><td>D</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr><tr><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td><td>E</td></tr></table>	A	A	A	A	A	A	E	E	E	E	E	E	E	A	A	B	B	C	D	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	E	amfori BSCI Participants shall closely oversee the auditee's progress as the producer may represent a higher risk than other business partners.
A	A	A	A	A	A	E	E	E	E	E	E	E																													
A	A	B	B	C	D	E	E	E	E	E	E	E																													
E	E	E	E	E	E	E	E	E	E	E	E	E																													
<b>Zero Tolerance</b>	A Zero Tolerance issue was identified (see amfori BSCI System Manual Part V – Annex 5: amfori BSCI Zero Tolerance Protocol)	Immediate actions are required. The amfori BSCI Zero Tolerance Protocol is to be followed.																																							

**Main Auditee Information**

Name of producer :	<b>Ananta Jeanswear Ltd.</b>		
DBID number :	<b>26346</b>		
Audit ID :	<b>189646</b>		
Address :	<b>277/2, Kabi Jashim Uddin Road, Pagar, Tongi, Gazipur 1710</b>		
Province :	<b>Dhaka</b>	Country :	<b>Bangladesh</b>
Management Representative :	<b>Ashim Kumar Majumder (Senior Deputy General Manager- Compliance)</b>		
Contact person:	<b>Ashim Kumar Majumder</b>	Sector :	<b>Non-Food</b>
Industry Type :	<b>Textiles, clothing, leather</b>	Product group :	<b>Apparel</b>
Product Type :	<b>Woven Garments</b>		

**Audit Details**


Audit Range :	<input type="checkbox"/> Full Audit	<input checked="" type="checkbox"/> Follow-up Audit
Audit Scope :	<input checked="" type="checkbox"/> Main Auditee	<input type="checkbox"/> Main Auditee & Farms
Audit Environment :	<input checked="" type="checkbox"/> Industrial	<input type="checkbox"/> Agricultural <input type="checkbox"/> Small Producer
Audit Announcement :	<input type="checkbox"/> Fully-Announced	<input type="checkbox"/> Fully-Unannounced <input checked="" type="checkbox"/> Semi-Announced
Random Unannounced Check (RUC) :	No	
Audit extent (if applicable) :	none	
Audit interferences or contingencies (if applicable) :	none	
Overall rating :	B	
Need of follow-up :		If YES, by :

**Rating per Performance Area (PA)**

PA 1	PA 2	PA 3	PA 4	PA 5	PA 6	PA 7	PA 8	PA 9	PA 10	PA 11	PA 12	PA 13
B	C	A	A	A	A	A	A	A	A	A	A	A

**Executive summary of audit report**
**Assessment Time Frame & Scope:**

This was a regular follow-up audit which was semi-announced and started at 9.20 am on August 13, 2020, and ended at 5:50 pm on same date. One ALGI field staff; Mr. Shakil Ahmed (APSCA registration No.- RA 21700953) was assigned for one day (01 Auditor 01 day), to verify the compliance status of the factory against the BSCI code of conduct (BSCI Version 2.0) as well as applicable local laws relating to the following areas:

Social Management System and Cascade Effect;  
Workers Involvement and Protection;  
Fair Remuneration  
Decent Working Hour  
Occupational Health and Safety;  
Protection of the Environment

The audit components included opening and on-going discussions with management regarding factory practices, a review of documentation and records, a facility tour, confidential employee interviews and a final closing meeting with management.

**Factory Overview:**

The factory "Ananta Jeanswear Ltd." is a Private Limited Company. The Factory is located at 277/2, Kabi Jashim Uddin Road, Pagar, Tongi, Gazipur, Bangladesh, which is approximately 09 KM far from Hazrat Shah Jalal International Airport, Dhaka, Bangladesh. The factory was incorporated as a private limited company in the year of 2005 under the Companies Act (Act XVIII) of 1994 and started its operation in the year 2010 at the existing place. The updated Factory License No: 12614/Dhaka and Fire License No: DD/Dhaka/22518/2011, licenses are valid until June 30, 2021. Trade License No: 43\_157/822\_31/7/2019, was found expired on June 30, 2020 and the factory has applied to get updated copy from concerned authority.

The total land area occupied by the facility is about 47,720 square feet, where the built-up area is about 242,144 square feet (as per fire license). The facility is specialized in manufacturing of all types of Woven Garments. Main production processes include cutting > sewing > finishing > packing with a maximum production capacity of 600,000 pieces per month.

**Site Description:**

The factory consists of 02 buildings and 02 sheds. Building & Shed's descriptions are as below:

**Building 01 (8 storied):**

Ground floor: General store, accessories store, fabric store, compressor, workshop, fabric inspection, and fire control panel.  
1st floor: Cutting section, eyelet machine room, maintenance room, fusing machine, and admin desk.  
2nd floor: Finishing section, packing section, finished goods area, spot removing room, and office.  
3rd floor: Finishing section, packing section, finished goods area, inspection room, and admin room.  
4th floor: Sewing section, conference room, maintenance room, GM room, and admin office.  
5th floor: Sewing section, IE department, maintenance room, office, and admin room.  
6th floor: Sewing section, maintenance room, office, DGM room, and admin office.  
7th floor: Sewing section, training room, conference room, sample section, and admin office.  
Rooftop: 100% free space.

**Building 02 (6 storied):**

Ground floor: Substation, generator, ETP (using for another factory by same management named: Paradise Washing Ltd.) and fire pump room.  
Mezzanine floor: Medical room, maintenance room, and ETP tank.  
1st floor: Childcare room, and workers dining.  
2nd floor: Workers dining, office room, lab room, and general store.  
3rd floor: Store, CAD room, sample section.  
4th floor: Inspection room, finished goods store and store.  
5th floor: Inspection room, finished goods store and store.

Rooftop: 100% free space.

Shed 01: Diesel room, waste room & driver rest room.  
Shed 02: Boiler and security checkpoint.

The factory does not have any dormitory facility for the workers. A total of 3,108 employees are currently working in the factory, which includes 2,674 production workers and 534 management & staff. All the workers are local, and no migrant workers are employed. Workers' monthly turnover rate is 3%.

As per company policy, wages are calculated monthly and are paid generally within 7 working days of the following month. General shift runs in one shift from 08:00 am to 05:00 pm. Security guards work in three shifts; 07:00 am to 04:00 pm, 11:00 am to 08:00 pm & 08:00 pm to 05:00 am. Sixty minutes are assigned in 02 slots for resting break for all. As per factory management, June to September is their peak production month and rest of the month considered as off-peak months.

There was no organized labor union established in the facility. The facility has established a Participation Committee (PC) comprising of 22 members (Management- 09 & Worker- 13) and the last meeting was conducted on July 22, 2020.

#### Opening Meeting:

Ashim Kumar Majumder (Senior Deputy General Manager- Compliance) along with the other factory compliance personnel and workers representative attended the opening meeting. ALGI staff provided a brief description of the audit process, scope and required documentation as well as explained the client expectation on transparency and provided ALGI Gift and Gratuity letter for review and signature. The management seemed open to the audit and claimed that they would provide all the necessary documentation as requested.

#### Document & Record Review:

Wages & Benefits and Hours of Work (Based on provided records): 10 months' wage and timekeeping records were asked from September'19 to June'20 and reviewed in detail for the months of June'20 (current month & off peak month), March'20 (off-peak month) and December'19 (random month). As per provided records, the factory pays the regular wages within 7 working days of the following month. The factory has ensured the country's current minimum wages BDT8000 per month. Payslip was issued to all workers for each pay period in the local language. Applicable leave benefits were provided to all eligible workers and relevant records were well maintained in the prescribed format.

#### Other:

A variety of documents and records such as employee personnel files, contracts, age verification documentation, factory's business license, factory rules, machine operator certificates, fire safety permits, test reports, different policies, training documents, minutes of meetings etc. were provided and reviewed. The factory had all valid business licenses to operate the factory. The factory has formal grievance handling procedure existing in the factory. Complaint boxes were provided in the toilets.

#### Health & Safety Tour:

All areas and floors of this factory were toured including production process, fabric & accessories store, sample section, medical room, childcare room, dining area, rooftop & utility areas. The H&S condition of this factory is satisfactory. Pure drinking water was provided for the workers. Factory production floor was well ventilated. First aid boxes were provided on the floor with necessary first aid kits. The evacuation plan was posted in the local language. All electrical panel boards were found clean, steam pipes & electrical wires were in proper insulation. Fire alarm system was found central & functional.

#### Workers Interview:

A total of 10 (06 female and 04 male) workers were interviewed from various sections of the factory including cutting, sewing, finishing, quality, packing and admin section. 05 were interviewed individually & 05 were interviewed in one group of 05 workers. The interviews were conducted in an unused inspection room. Workers were selected by the auditors personally on the spot from different sections. From the beginning of the interview, the workers were found to be frank and shared information freely. They shared information about the factory practice and working hours. They accepted that due to emergency shipment or situation, they may work 02 hours per day. A percentage of the interviewed workers were found unaware of their wages, benefits and leave entitlements. They confirmed their monthly payment is made within 7 working days of the following month including the overtime wages. The members of participation committee were aware on their duties and responsibilities.

#### Closing Meeting:

Ashim Kumar Majumder (Senior Deputy General Manager- Compliance), along with the factory compliance team and a representative from Participation Committee (PC) attended the closing meeting. ALGI staff communicated each finding in detail and allowed them to ask questions and provide any needed clarifications. They agreed on all the findings and signed the CAP and confirmed their understanding of each of the finding that discussed. The ALGI team handed over a copy of the draft findings to the factory and thanked them for their cooperation and left the factory in the evening on August 13, 2020.

#### Remarks:

1. Contractor license, agency labor contract, collective bargaining agreement, government waivers, dormitories, and remediation of previous findings/areas of improvement were not applicable in this audit.
2. Anker Methodology was used to calculate the Basic Living Wage and the audit team was unable to compare as the auditee did not work on it.
3. COVID#19: Social distancing was maintained between every worker as per the national guideline for overcome the pandemic situation. Hand wash point has been installed in the factory entry point to make sure all workers are been disinfected during entering into the facility.
4. Due to the vacation of Muslim Festival "Eid-UI-AZHA", the facility was closed from 31 July to 08 August 2020. Before Eid vacation, the facility has paid 60% of gross wage of all workers. Since the factory was closed, rest of the wages is not been paid for the month of July 2020. As the 07 working days has not completed yet, the wage sheet of June'20 has been selected as current sampled month.

**Ratings Summary**


Auditee's background information			
Auditee's name :	Ananta Jeanswear Ltd.	Legal status :	Private Limited Company
Local Name :	অনন্ত জিন্সওয়্যার লিমিটেড	Year in which the auditee was founded :	2010
Address :	277/2, Kabi Jashim Uddin Road, Pagar, Tongi,	Contact person (please select) :	Ashim Kumar Majumder
Province :	Dhaka	Contact's Email :	ashim@ananta.com.bd
City :	Gazipur 1710	Auditee's official language(s) for written communications :	Bangla
Region :	South Asia	Other relevant languages for the auditee :	English
Country :	Bangladesh	Website of auditee (if applicable) :	www.ananta.com.bd
GPS coordinates :	Latitude: 23.897529   Longitude: 90.431425	Total turnover (in Euros) :	40702500.00
Sector :	Non-Food	Of which exports % :	100.00
Industry :	Textiles, clothing, leather	Of which domestic market % :	0.00
If other, please specify :	None	Production volume :	600,000 pieces per month
Product Group :	Apparel	Production cost calculation :	Yes
If other, please specify :	None	Lost time injury calculation cost :	Yes
Product Type :	Woven Garments		

Auditee's employment structure at the time of the audit		
Total number of workers :	3108	Total number of workers in the production unit to be monitored (if applicable) : 0
	MALE WORKERS	FEMALE WORKERS
Permanent workers	1088	2020
Temporary workers	0	0
In management positions	20	7
Apprentices	0	0
On probation	0	0
With disabilities	6	11
Migrants (national citizens)	0	0
Migrants (foreign citizens)	0	0
Workers on the permanent payroll	1088	2020
Production based workers	0	0
With shifts at night	15	0
Unionised	0	0
Pregnant	-	31
On maternity leave	-	23

## Finding Report



### Performance Area 1 : Social Management System and Cascade Effect

1- Followup Audit [Audit Id - 189646] Audit Date: 13/08/2020 PA Score: B

Deadline date:31/12/2020

#### GOOD PRACTICES:

Nil

#### AREAS OF IMPROVEMENT:

Based on satisfactory evidence the factory partially respects this performance area, because the factory did not show full commitment towards the BSCI Code. However, the factory has appointed a senior management representative, who has a clear idea of BSCI Code requirements. The factory is monitoring social performance of their suppliers. During the audit, production plan was found realistic based on working hour schedule.

- 1.1 - Full audit on September 11 & 12, 2019:** As per documents review, worker & management interview and facility visit noted that the factory did not show full commitment towards the BSCI Code. Non-compliances were identified in Workers Involvement and Protection, Occupational Health and Safety & Protection of the Environment.  
**1st follow-up audit on August 13, 2020: Partially corrected:** Though the factory has developed a management system, the factory did not show full commitment towards the BSCI Code. Non-compliances were identified in Social Management System and Cascade Effect, Workers Involvement and Protection and Occupational Health and Safety.

- 1.3 - Full audit on September 11 & 12, 2019:** Noted that the factory has identified 15 significant suppliers and shared BSCI CoC, ToI with those suppliers, but the factory did not monitor 11 out of 15 suppliers social performance. (As per BSCI Code)  
**1st follow-up audit on August 13, 2020: Corrected:** As per documents review and management interview noted that the factory is monitoring social performance of their all suppliers.

#### Remarks from Auditee:

Full Audit [Audit Id - 162341] Audit Date: 11/09/2019 PA Score: C

Deadline date:31/08/2020

#### Good practices

Nil

#### Areas of improvement

Based on satisfactory evidence the factory partially respects this performance area, because following gaps have been identified in Social Management System and Cascade Effect: 1) As per documents review, worker & management interview and facility visit noted that the factory did not show full commitment towards the BSCI Code. Non-compliances were identified in Workers Involvement and Protection, Occupational Health and Safety & Protection of the Environment. 2) Noted that the factory has identified 15 significant suppliers and shared BSCI CoC, ToI with those suppliers, but the factory did not monitor 11 out of 15 suppliers social performance. (As per BSCI Code). However, the factory has developed a management system to develop social and environmental requirements. The factory has appointed a senior management representative who has a clear idea of BSCI code requirements. Production plan was found as per requirements.

- 1.1 -** As per documents review, worker & management interview and facility visit noted that the factory did not show full commitment towards the BSCI Code. Non-compliances were identified in Workers Involvement and Protection, Occupational Health and Safety & Protection of the Environment.
- 1.3 -** Noted that the factory has identified 15 significant suppliers and shared BSCI CoC, ToI with those suppliers, but the factory did not monitor 11 out of 15 suppliers social performance. (As per BSCI Code)

#### Remarks from Auditee



## Performance Area 2 : Workers Involvement and Protection

1- Followup Audit [Audit Id - 189646] Audit Date: 13/08/2020 PA Score: C

Deadline date:31/12/2020

### GOOD PRACTICES:

Nil

### AREAS OF IMPROVEMENT:

Based on satisfactory evidence the factory partially respects this performance area, because 30% (approx) workers were not aware of their legal rights and responsibilities. However, the factory has formed a participation committee (PC) through free election process. Interviewed workers confirmed that they are getting training on BSCI Code. The factory has set vision, mission and objective of the company in coherence with amfori BSCI Code. The factory has developed an effective grievance mechanism system.

- 2.3 - Full audit on September 11 & 12, 2019:** Approximate 30% interviewed workers were not aware of overtime rate, entitled leave, earn leave benefit and service benefit. (As per BSCI Code)  
**1st follow-up audit on August 13, 2020: Not corrected:** Still 30% (approx) interviewed workers were not aware of overtime rate, appointment conditions, entitled leaves and benefits. (As per BSCI Code)

### Remarks from Auditee:

Full Audit [Audit Id - 162341] Audit Date: 11/09/2019 PA Score: C

Deadline date:31/08/2020

### Good practices

Nil

### Areas of improvement

Based on satisfactory evidence the factory partially respects this performance area, because following gap has been identified in Workers Involvement and Protection: Approximate 30% interviewed workers were not aware of overtime rate, entitled leave, earn leave benefit and service benefit. (As per BSCI Code). However, the factory has formed a participation committee through free election process and interviewed workers were informed of PC activities. Noted that the factory has set its long-term goals in coherence with amfori BSCI values and principles. The factory has provided training to the workers, worker representatives and mid-level management of BSCI Code. Interviewed workers were aware of grievance procedure of the factory.

- 2.3 -** Approximate 30% interviewed workers were not aware of overtime rate, entitled leave, earn leave benefit and service benefit. (As per BSCI Code)

### Remarks from Auditee

## Performance Area 3 : The rights of Freedom of Association and Collective Bargaining

1- Followup Audit [Audit Id - 189646] Audit Date: 13/08/2020 PA Score: A

Deadline date:

### GOOD PRACTICES:

### AREAS OF IMPROVEMENT:

This PA is not verified in 1st follow-up audit conducted on August 13, 2020.

### Remarks from Auditee:

Full Audit [Audit Id - 162341] Audit Date: 11/09/2019 PA Score: A

Deadline date:

### Good practices

Nil

### Areas of improvement

Based on satisfactory evidence the factory has met all requirements of this performance area. Noted that the factory has developed a Freedom of Association (FOA) policy and as per policy workers are free to form worker union. Further, the factory has formed a participation committee through free election process. Interviewed members of that committee were aware of their responsibilities. 3.3 is marked as N/A, because there was no trade union.

### Remarks from Auditee



Performance Area 4 : No Discrimination	
1- Followup Audit [Audit Id - 189646] Audit Date: 13/08/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b>	
<b>AREAS OF IMPROVEMENT:</b>	
This PA is not verified in 1st follow-up audit conducted on August 13, 2020.	
<b>Remarks from Auditee:</b>	
Full Audit [Audit Id - 162341] Audit Date: 11/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
Nil	
<u>Areas of improvement</u>	
Based on satisfactory evidence the factory has met all requirements of this performance area. Noted that the factory has developed a Non-Discrimination policy which was posted on notice board. Further, the factory has provided training to the workers and mid-level management on that policy. Interviewed workers also confirmed that they are not discriminated.	
<u>Remarks from Auditee</u>	
Performance Area 5 : Fair Remuneration	
1- Followup Audit [Audit Id - 189646] Audit Date: 13/08/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b>	
1. Performance bonus 2 1st May award to the best worker. 3. Gifts for best line chief, supervisor & in charge. 4. Honorarium for freedom fighters. 5. Newborn babies award.	
<b>AREAS OF IMPROVEMENT:</b>	
Based on satisfactory evidence the factory has met all requirements of this performance area. During the audit, 3 sampled months wages list and working job records (June 2020, March 2020 & December 2019) have been verified and noted that workers are getting minimum wages and all benefits as per local law. the factory provides monthly wages within 7 working days of the following month.	
<b>Remarks from Auditee:</b>	
Full Audit [Audit Id - 162341] Audit Date: 11/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
1. Performance bonus 2 1st May award to the best worker. 3. Gifts for best line chief, supervisor & in charge. 4. Honorarium for freedom fighters. 5. Newborn babies award.	
<u>Areas of improvement</u>	
Based on satisfactory evidence the factory has met all requirements of this performance area. Noted that the factory has developed a Minimum Wage policy. During the audit, three sampled months (August'19-current month, February'19-peak month and September'18-off-peak month) wages list have been verified and noted that workers are getting minimum wage and benefits as per local law. The factory provides monthly wages within 7 working days of the following month. Workers are getting payslip during the monthly wage payment. Noted that the factory is working with H&M on Fair Wage Project.	
<u>Remarks from Auditee</u>	

Performance Area 6 : Decent Working Hours	
1- Followup Audit [Audit Id - 189646] Audit Date: 13/08/2020 PA Score: A	Deadline date:
<b><u>GOOD PRACTICES:</u></b>	
Nil	
<b><u>AREAS OF IMPROVEMENT:</u></b>	
Based on satisfactory evidence the factory has met all requirements of this performance area. During the audit, 3 sampled months wages list and working job records (June 2020, March 2020 & December 2019) have been verified and working hour was found as per local law. Regular working hour was found 8 hours per day and overtime hour was found 2 hours per day. The factory is using electronic time keeping system to track working hours. Workers are getting weekly off day after 6 consecutive days. Friday is weekly off day for workers.	
<b><u>Remarks from Auditee:</u></b>	
Full Audit [Audit Id - 162341] Audit Date: 11/09/2019 PA Score: A	Deadline date:
<b><u>Good practices</u></b>	
Nil	
<b><u>Areas of improvement</u></b>	
Based on satisfactory evidence the factory has met all requirements of this performance area. Noted that the factory has developed a working hour policy which was posted on notice board. During the audit, three sampled months (August'19-current month, February'19-peak month and September'18-off-peak month) have been verified and no working hour violation was found in those months. The factory is using electronic time keeping system to track working hour. Maximum overtime was found 2 hours/day. Workers are getting weekly off days after 6 consecutive days.	
<b><u>Remarks from Auditee</u></b>	

**Performance Area 7 : Occupational Health and Safety**

1- Followup Audit [Audit Id - 189646] Audit Date: 13/08/2020 PA Score: A

Deadline date:31/12/2020

**GOOD PRACTICES:**

1. Free vaccination to all workers. 2. Blood donation program for workers (the facility helps to organise blood donation for workers if they need it).

**AREAS OF IMPROVEMENT:**

Based on satisfactory evidence the factory partially respects this performance area, because gaps have been identified in assess the risk related to disable workers, PPE using and machine safety. However, the factory has formed a safety committee. During facility visit, noted that the factory has installed central fire alarm and fire hydrant system that was fully functional. All aisles were found properly marked and blockage free. The factory has ensured potable water to the workers. Workers are getting free treatment from the factory clinic. Electrical installation was found as per requirements. First aid boxes were found with sufficient first aid kits. 7.23 is marked as N/A, because the factory did not provide transport facility to the workers.

**7.3 - Full audit on September 11 & 12, 2019:** Though the factory has developed section-wise risk assessment, the factory did not assess the risk related to machines (overlock, bartack, thread sucking & heat seal) and vulnerable workers who are working in the production floor. (As per BSCI Code)

**1st follow-up audit on August 13, 2020: Partially corrected:** Though the factory has assessed the risk related to machines (overlock, bartack, thread sucking & heat seal), the factory did not assess the risk related to vulnerable workers. Noted that currently 17 disable workers are working in the factory. (As per BSCI Code)

**7.6 - Full audit on September 11 & 12, 2019:** Approximate 70% overlock machine operators are not using face mask during the work. (As per Bangladesh Labor Rules 2015, Rule-67)

**1st follow-up audit on August 13, 2020: Corrected:** During facility visit, overlock machine operators were found using face mask.

**New finding:** Approximate 10% workers were found not using face mask in production area. As per workers & management interview and PPE register, the factory has ensured PPE to all workers but they are not using because of awareness. (Bangladesh Labor Rules 2015, rule-67)

**7.9 - Full audit on September 11 & 12, 2019:** During facility visit, metallic scrap was found here and there in the factory premises due to renovation work. (As per BSCI Code)

**1st follow-up audit on August 13, 2020: Corrected:** During facility visit, no metallic scrap was found in factory premises.

**7.14 - Full audit on September 11 & 12, 2019:** Though the factory has installed central fire alarm system for the main production building (8-storied), the factory did not install central fire alarm system for the newly built 6-storied building which is using for workers dining, medical room, child care room, generator & boiler room, waste stores, accessories store & ETP. Noted that the factory has provided manual fire alarm call points on those areas and the sound of fire alarm is not audible from another building. However, central fire alarm installation work is under progress. (Bangladesh National Building Code 2006, Chapter-4).

**1st follow-up audit on August 13, 2020: Corrected:** Noted during facility visit that the factory has installed central fire alarm system in Building-2 (6 storied). Randomly checked fire alarm system was found functional.

**7.16 - Full audit on September 11 & 12, 2019:** The factory did not provide evacuation plan on 3rd, 4th & 5th floors of 6-storied building. (As per BSCI Code)

**1st follow-up audit on August 13, 2020: Corrected:** The factory has posted evacuation plan in mentioned area.

**7.17 - 1st follow-up audit on August 13, 2020: New finding:** The factory did not ensure proper machine safety for all machines in production floor. Noted that approximate 30% needle guards were found either missing or dispalced. (Bangladesh Labor Law 2006, section-63)

**7.22 - Full audit on September 11 & 12, 2019:** Housekeeping in the production floors as well as in the premises was not in standard level. (As per BSCI Code)

**1st follow-up audit on August 13, 2020: Corrected:** Overall housekeeping system was found in standard level.

**Remarks from Auditee:**

Full Audit [Audit Id - 162341] Audit Date: 11/09/2019 PA Score: D

Deadline date:31/08/2020

**Good practices**

1. Free vaccination to all workers. 2. Blood donation to workers.

**Areas of improvement**

Based on satisfactory evidence the factory partially respects this performance area, because following gaps have been identified in Occupational Health and Safety: 1) Though the factory has developed section-wise risk assessment, the factory did not assess the risk related to machines (overlock, bartack, thread sucking & heat seal) and vulnerable workers who are working in the production floor. (As per BSCI Code). 2) Approximate 70% overlock machine operators are not using face mask during the work. (As per Bangladesh Labor Rules 2015, Rule-67). 3) During facility visit, metallic scrap was found here and there in the factory premises due to renovation work. (As per BSCI Code). 4) Though the factory has installed central fire alarm system for the main production building (8-storied), the factory did not install central fire alarm system for the newly built 6-storied building which is using for workers dining, medical room, child care room, generator & boiler room, waste stores, accessories store & ETP. Noted that the factory has provided manual fire alarm call points on those areas and the sound of fire alarm is not audible from another building. However, central fire alarm installation work is under progress. (Bangladesh National Building Code 2006, Chapter-4). 5) The factory did not provide evacuation plan on 3rd, 4th & 5th floors of 6-storied building. (As per BSCI Code). 6) Housekeeping in the production floors as well as in the premises was not in standard level. (As per BSCI Code).

However, the factory has developed a Health and Safety policy and formed a safety committee as per requirements. During facility visit, all aisles were found properly marked and blockage free. The factory has provided first aid boxes in production floor with sufficient first aid kits. Workers are getting free treatment from medical centre. The factory provides potable drinking water to the workers. Seating arrangement was found sufficient in dining hall, also the factory has provided canteen facility to the workers to buy light food. Interviewed workers told that the factory provides health and safety training to the workers and they have attended last fire drill. 7.23 is marked as N/A, because the factory did not provide transport facility to the workers.

- 7.3 - Though the factory has developed section-wise risk assessment, the factory did not assess the risk related to machines (overlock, bartack, thread sucking & heat seal) and vulnerable workers who are working in the production floor. (As per BSCI Code)
- 7.6 - Approximate 70% overlock machine operators are not using face mask during the work. (As per Bangladesh Labor Rules 2015, Rule-67)
- 7.9 - During facility visit, metallic scrap was found here and there in the factory premises due to renovation work. (As per BSCI Code)
- 7.14 - Though the factory has installed central fire alarm system for the main production building (8-storied), the factory did not install central fire alarm system for the newly built 6-storied building which is using for workers dining, medical room, child care room, generator & boiler room, waste stores, accessories store & ETP. Noted that the factory has provided manual fire alarm call points on those areas and the sound of fire alarm is not audible from another building. However, central fire alarm installation work is under progress. (Bangladesh National Building Code 2006, Chapter-4).
- 7.16 - The factory did not provide evacuation plan on 3rd, 4th & 5th floors of 6-storied building. (As per BSCI Code)
- 7.22 - Housekeeping in the production floors as well as in the premises was not in standard level. (As per BSCI Code)

Remarks from Auditee

#### Performance Area 8 : No Child Labour

1- Followup Audit [Audit Id - 189646] Audit Date: 13/08/2020 PA Score: A

Deadline date:

#### GOOD PRACTICES:

#### AREAS OF IMPROVEMENT:

This PA is not verified in 1st follow-up audit conducted on August 13, 2020.

#### Remarks from Auditee:

Full Audit [Audit Id - 162341] Audit Date: 11/09/2019 PA Score: A

Deadline date:

#### Good practices

Nil

#### Areas of improvement

Based on satisfactory evidence the factory has met all requirements of this performance area. Noted that the factory has developed Child Labor and Child Labor Remediation policies. During the audit, no child labor observed in the factory premises.

Remarks from Auditee

Performance Area 9 : Special protection for young workers	
1- Followup Audit [Audit Id - 189646] Audit Date: 13/08/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b>	
<b>AREAS OF IMPROVEMENT:</b> This PA is not verified in 1st follow-up audit conducted on August 13, 2020.	
<b>Remarks from Auditee:</b>	
Full Audit [Audit Id - 162341] Audit Date: 11/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
Nil	
<u>Areas of improvement</u>	
Based on satisfactory evidence the factory has met all requirements of this performance area. Noted that the factory has developed a Young Worker Protection policy which was posted on notice board. 9.2 to 9.6 is marked as N/A, because there was no young worker in the factory premises.	
<u>Remarks from Auditee</u>	
Performance Area 10 : No Precarious Employment	
1- Followup Audit [Audit Id - 189646] Audit Date: 13/08/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b>	
<b>AREAS OF IMPROVEMENT:</b> This PA is not verified in 1st follow-up audit conducted on August 13, 2020.	
<b>Remarks from Auditee:</b>	
Full Audit [Audit Id - 162341] Audit Date: 11/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
Nil	
<u>Areas of improvement</u>	
Based on satisfactory evidence the factory has met all requirements of this performance area. Noted that all workers are getting appointment letter and identity card during the recruitment. Interviewed workers were aware of appointment conditions. Further, appointment contract was found in local language which is understandable to the workers.	
<u>Remarks from Auditee</u>	

Performance Area 11 : No Bonded Labour	
1- Followup Audit [Audit Id - 189646] Audit Date: 13/08/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b>	
<b>AREAS OF IMPROVEMENT:</b>	
This PA is not verified in 1st follow-up audit conducted on August 13, 2020.	
<b>Remarks from Auditee:</b>	
Full Audit [Audit Id - 162341] Audit Date: 11/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
Nil	
<u>Areas of improvement</u>	
Based on satisfactory evidence the factory has met all requirements of this performance area. Noted that the factory has developed a No-Bonded Labor policy. Interviewed workers also confirmed that they are free to leave the factory after the shift ends. 11.2 is marked as N/A, because there was no migrant worker in the factory.	
<u>Remarks from Auditee</u>	
Performance Area 12 : Protection of the Environment	
1- Followup Audit [Audit Id - 189646] Audit Date: 13/08/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b>	
Nil	
<b>AREAS OF IMPROVEMENT:</b>	
Based on satisfactory evidence the factory has met all requirements of this performance area. The factory has developed an Environmental procedure and assess the risk related to environment. Waste and water management were found as per requirements.	
<p><b>12.4 - Full audit on September 11 &amp; 12, 2019:</b> Noted during facility visit that the factory has dumped chemical waste (Spot lifter), carton, poly &amp; jute in waste keeping area on temporary basis without proper segregation by its types. (Bangladesh Labor Law 2006, Section-54)</p> <p><b>1st follow-up audit on August 13, 2020: Corrected:</b> Noted through documents review, management interview and facility visit that the factory has an agreement with one local vendor to dispose waste on regular basis. Further, there was no waste in wastage area during the audit.</p>	
<b>Remarks from Auditee:</b>	
Full Audit [Audit Id - 162341] Audit Date: 11/09/2019 PA Score: A	Deadline date: 31/08/2020
<u>Good practices</u>	
Nil	
<u>Areas of improvement</u>	
Based on satisfactory evidence the factory partially respects this performance area, because following gap has been identified in Protection Of Environment: Noted during facility visit that the factory has dumped chemical waste (Spot lifter), carton, poly & jute in waste keeping area on temporary basis without proper segregation by its types. (Bangladesh Labor Law 2006, Section-54).	
However, the factory has developed an Environmental procedure and identified the risk related to environment. Noted that the factory has conducted Environmental Impact Assessment (EIA) from concerned authority.	
<p><b>12.4 -</b> Noted during facility visit that the factory has dumped chemical waste (Spot lifter), carton, poly &amp; jute in waste keeping area on temporary basis without proper segregation by its types. (Bangladesh Labor Law 2006, Section-54)</p>	
<u>Remarks from Auditee</u>	

Performance Area 13 : Ethical Business Behaviour	
1- Followup Audit [Audit Id - 189646] Audit Date: 13/08/2020 PA Score: A	Deadline date:
<b><u>GOOD PRACTICES:</u></b>	
<b><u>AREAS OF IMPROVEMENT:</u></b> This PA is not verified in 1st follow-up audit conducted on August 13, 2020.	
<b><u>Remarks from Auditee:</u></b>	
Full Audit [Audit Id - 162341] Audit Date: 11/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
Nil	
<u>Areas of improvement</u>	
Based on satisfactory evidence the factory has met all requirements of this performance area. The factory has developed an Anti-Bribery policy and shared with their suppliers. During the audit factory management was transparent and their attitude was positive.	
<u>Remarks from Auditee</u>	



## Summary



Audit Type	Date	Audit Id	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	PA10	PA11	PA12	PA13	Overall Rating
Follow-up Audit	13/08/2020	189646	B	C	A	A	A	A	A	A	A	A	A	A	A	B
Full Audit	11/09/2019	162341	C	C	A	A	A	A	D	A	A	A	A	A	A	C

**Producer Photos**



External photo(s) of the production unit(s)  
Boiler.JPG



Photo of fire safety equipment  
PA system.JPG



Photo of the inside of the main production hall  
Fire hydrant checked.JPG



External photo(s) of the production unit(s)  
Factory building.JPG

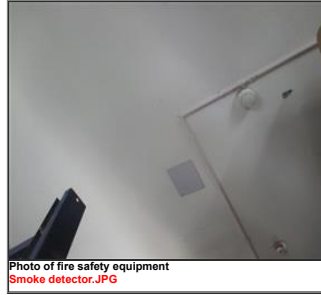


Photo of fire safety equipment  
Smoke detector.JPG



Photo of the inside of the main production hall  
No scrap material in factory premises.JPG



External photo(s) of the production unit(s)  
Factory gate.JPG



Photo of non-conformity  
Needle guard missing.JPG



Photo of the inside of the main production hall  
Notice board.JPG



External photo(s) of the production unit(s)  
Factory nameplate.JPG



Photo of the canteen (if applicable)  
Canteen.JPG



Photo of the inside of the main production hall  
Overlock machine operator is using face mask.jpg



External photo(s) of the production unit(s)  
Generator.JPG



Photo of the canteen (if applicable)  
Dining area.JPG



Photo of the inside of the main production hall  
Sewing section.jpg

