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Auditee :	<b>Nirzhor Knitwear Ltd.</b>
Audit Date From :	<b>07/01/2019</b>
Audit Date To :	<b>07/01/2019</b>
Expiry Date of the Audit :	<b>Please refer to the producer profile in the amfori BSCI platform</b>
Auditing Company :	<b>UL-RS</b>
Auditor's Name(s) :	<b>Zahidun Nabi, Amatullah Nur A Marzan(Lead)</b>
Auditing Branch (if applicable) :	

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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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This is an extract of the amfori BSCI Audit Report, which is available in the amfori BSCI Platform. © amfori, 2018 - The English version is the legally binding One.

Rating Definitions



Rating	A combination of ratings per Performance Area where:	Consequence																																							
<p><b>A</b> <b>Very Good</b></p>	<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> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <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	<p>The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.</p>
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																													
<p><b>B</b> <b>Good</b></p>	<ul style="list-style-type: none"> <li>• Maximum 3 Performance Areas rated C</li> <li>• No Performance Areas rated D or E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <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	<p>The auditee has the level of maturity to maintain its improvement process without the need for a follow-up audit.</p>
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B	B	B	B	B	B	B	B	B	B	C	C	C																													
<p><b>C</b> <b>Acceptable</b></p>	<ul style="list-style-type: none"> <li>• Maximum 2 Performance Areas rated D</li> <li>• No Performance Areas rated E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <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	<p>The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.</p>
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																													
<p><b>D</b> <b>Insufficient</b></p>	<ul style="list-style-type: none"> <li>• Maximum 6 Performance Areas rated E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <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>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	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	E	E	E	E	E	E	<p>The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.</p>
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	E	E	E	E	E	E																													
<p><b>E</b> <b>Unacceptable</b></p>	<ul style="list-style-type: none"> <li>• Minimum 7 Performance Areas rated E</li> </ul> <p>These are three examples:</p> <table border="1" style="width: 100%; text-align: center;"> <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	<p>amfori BSCI Participants shall closely oversee the auditee's progress as the producer may represent a higher risk than other business partners.</p>
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																													
<p><b>Zero Tolerance</b></p>	<p>A Zero Tolerance issue was identified (see amfori BSCI System Manual Part V – Annex 5: amfori BSCI Zero Tolerance Protocol)</p>	<p>Immediate actions are required. The amfori BSCI Zero Tolerance Protocol is to be followed.</p>																																							

**Main Auditee Information**

Name of producer :	<b>Nirzhor Knitwear Ltd.</b>		
DBID number :	<b>380309</b>		
Audit ID :	<b>142062</b>		
Address :	<b>Holding No-139, Block -C,Road No-2, Nayamati, Pagla, Fatullah Narayangonj</b>		
Province :	<b>Dhaka</b>	Country :	<b>Bangladesh</b>
Management Representative :	<b>S.M. Kamrul Haque</b>		
Contact person:	<b>S M Kamrul Haque</b>	Sector :	<b>Non-Food</b>
Industry Type :	<b>Textiles, clothing, leather</b>	Product group :	<b>Apparel</b>
Product Type :	<b>All types of Knitwear</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 checked="" type="checkbox"/> Fully-Announced <input type="checkbox"/> Fully-Unannounced <input type="checkbox"/> Semi-Announced
Random Unannounced Check (RUC) :	No
Audit extent (if applicable) :	Limited extent (follow-up on a few Performance Areas only)
Audit interferences or contingencies (if applicable) :	none
Overall rating :	<b>B</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	
C	A	A	A	B	A	B	A	A	A	A	A	A	

**Executive summary of audit report**

A follow-up audit was conducted at Nirzhor Knitwear Ltd. which is located at Holding No-139, Block -C,Road No-2, Nayamati, Pagla, Fatullah, Narayangonj-1421, Bangladesh. Auditee's production process includes cutting, sewing and finishing and all types of knitted item produced for export purpose. This facility started its operation in 2006 at Alhaj Afser Karim Bhaban, Pagla , Fatulla Narayangonj, Bangladesh. In the year of 2018, the facility has shifted in the current location.

An opening meeting was conducted with the below management people after reaching the auditee. In the opening meeting , auditor explained all the audit process and protocol in details and takes permission to access in all areas within the premises and to take necessary photos.

1. Md. Nurul Amin Sumon – Managing Director
2. S.M. Kamrul Haque – HR, Admin & Compliance
3. Md. Ibrahim – Welfare Officer
4. Kamal – Vice president of participation committee
5. SHahidul Islam - Sr. Accounts

After completing all the audit process, a closing meeting was conducted with the same management people who were present during the opening meeting and explained all the observations in details with the management.

**Building details:**  
 One 2-storey production building and 2 sheds:  
 Ground floor- Finishing Section, Accessories store, Office, Child care room, Doctor room, kitchen, prayer area  
 1st floor-Sewing , Maintenance office  
 2nd floor-Cutting Section and fabric store  
 Shed#1: One Generator(Diesel) and sub -station  
 Shed#2: Two Compressor and One boiler

**Documents overview:**  
 Incorporation Certificate: C-64556 (2048)/06, established on November 20, 2006. Facility shifted its operation to this place in 2018.  
 Trade license: License no: 1619. License valid till: June 30, 2019.  
 Factory License: License no: 19186/Narayangonj, license valid till: June 30, 2019. Category "G"  
 Construction approval : approval taken from the concern authority.  
 Fire License: License no: DD/Dhaka/28610/2018. License valid till June 2019.  
 Boiler license: One boiler BB10238, valid till: July 11, 2019  
 Competency certificate for boiler operator: One operator and license does not match with the online portal.  
 Electrician's license: One electrician. No ABC certificate  
 Group Insurance Records: No coverage for insurance payment  
 BGMEA membership certificate: registration no: 4429.  
 Latest Drinking Water Test Report : Last tested on August 7, 2018. Reference no: 46.203.3300.106.16.01.17.74  
 Welfare officer: Md. Ebrahim  
 Safety Officer: Md. Shahidul Islam  
 Management representative for amfori BSCI code of conduct implementations: S.M. Kamrul Haque- Manager (HR, Admin & Compliance)  
 Fire Drill record: Last drill provided on January 5, 2019 by external party. Drill performed every two months.  
 Training records for fire fighters: Last internal fire training conducted on December 3, 2018.  
 Training records on First Aider: Last training provided on December 2, 2018 by internal doctor.  
 Doctor's personal file: Md. Anisuzzaman, registration no: 60361  
 Agreement with the Hospital/ clinic: New Popular General Hospital , address: D.N road, pagla, Narayangonj. Agreement valid till: December 2019.  
 Agreement for waste disposal: Contract made with Rupali Enterprise. Contract valid till 2 years from the signing date (February 1, 2018)

Training record on PPE: Last training provided on December 5, 2018.  
Machine operation: Last awareness training on machine maintenance provided on December 10, 2018.  
Chemical Handling: Last on December 8, 2018  
Amfori BSCI code of conduct training for workers: Last training provided on December 12, 2018  
Mid-Level awareness training on amfori BSCI: Last awareness training provided on December 20, 2018.  
health & safety training: last training provided on December 4, 2018  
Grievance handling training: Last provided on December 6, 2018  
Survey completed for 14 workers  
Workers Service book: Bonus record and leave status not updated.  
Orientation training: Last provided on December 9, 2018. Total participant: 15  
Training on anti-bribery and corruption: Last training provided on December 24, 2018. However, all workers not included under training program.  
Accident & Injury record: Minor cut injury reported.  
root causes and implemented corrective actions on Accident & Injury record: Analysis conducted after the end of every month.  
Personal file / ID cards/Appointment / Age proof records / Employment Contract Agreement: Sample files found acceptable.  
Working hours approval: 8 am to 5 pm and 1 hours lunch break from 1 pm to 2 pm.  
Time cards / records/Payroll sheets & Overtime payment records/Copy of pay slips/ Copy of overtime slips: Reviewed for the month of September, October and November 2018  
Festival Bonuses records: Reviewed  
Annual leave payment: During calculation last gross not consider.  
Leave encashment Documents for the resigned workers/ Final settlement records: reviewed  
Festival holiday list: 14 days for 2019  
Noise level test, air emission test: Test conducted on September 2018 by external party namely Sapient Universal Certification.  
Health & Safety committee: Last meeting held on November 17, 2018.  
Committee formation not in line with the local law  
Training on water use and consumption: Last provided on December 26, 2018.

Note: 1. During the audit auditor checked the draft copy salary sheet for the month of December 2018 as new salary will be implemented from this month. However, in draft copy few gaps have been observed such as less basic and gross amount than the mentioned gazette amount. Auditor shared with the management and they replied that this is a draft copy and they will correct those errors.

2. Below pictures are not applicable for this facility:

1. Dormitories (No dormitory for onsite)
2. Contractor license/permit- Not applicable
3. Agency labor contract- Not applicable
4. Government waivers-Not applicable
5. Environmental licenses- Not applicable
6. Collective bargaining agreements- Not applicable
7. Inconsistencies between time and production records- Not applicable
8. High-risk health and safety areas- Chemical storage - Not applicable

**Ratings Summary**



<b>Auditee's background information</b>			
Auditee's name :	<b>Nirzhor Knitwear Ltd.</b>	Legal status :	<b>Public Limited Company</b>
Local Name :	<b>Nirzhor Knitwear Ltd</b>	Year in which the auditee was founded :	<b>2006</b>
Address :	<b>Holding No-139, Block -C,Road No-2, Nayamati, Pagla, Fatullah</b>	Contact person (please select) :	<b>S M Kamrul Haque</b>
Province :	<b>Dhaka</b>	Contact's Email :	<b>nirzhor.kamrul@gmail.com</b>
City :	<b>Narayangonj</b>	Auditee's official language(s) for written communications :	<b>English</b>
Region :	<b>South Asia</b>	Other relevant languages for the auditee :	<b>Bangla</b>
Country :	<b>Bangladesh</b>	Website of auditee (if applicable) :	<b>NA</b>
GPS coordinates :	<b>N/A</b>	Total turnover (in Euros) :	<b>77413.52</b>
Sector :	<b>Non-Food</b>	Of which exports % :	<b>100.00</b>
Industry :	<b>Textiles, clothing, leather</b>	Of which domestic market % :	<b>0.00</b>
If other, please specify :		Production volume :	<b>350,000 pieces per month</b>
Product Group :	<b>Apparel</b>	Production cost calculation :	<b>Yes</b>
If other, please specify :		Lost time injury calculation cost :	<b>Yes</b>
Product Type :	<b>All types of Knitwear</b>		

<b>Auditee's employment structure at the time of the audit</b>			
Total number of workers :	<b>544</b>	Total number of workers in the production unit to be monitored (if applicable) :	<b>0</b>
	<b>MALE WORKERS</b>	<b>FEMALE WORKERS</b>	
Permanent workers	<b>110</b>	<b>434</b>	
Temporary workers	<b>0</b>	<b>0</b>	
In management positions	<b>47</b>	<b>1</b>	
Apprentices	<b>0</b>	<b>0</b>	
On probation	<b>0</b>	<b>0</b>	
With disabilities	<b>0</b>	<b>0</b>	
Migrants (national citizens)	<b>0</b>	<b>0</b>	
Migrants (foreign citizens)	<b>0</b>	<b>0</b>	
Workers on the permanent payroll	<b>110</b>	<b>434</b>	
Production based workers	<b>63</b>	<b>433</b>	
With shifts at night	<b>4</b>	<b>0</b>	
Unionised	<b>0</b>	<b>0</b>	
Pregnant	<b>-</b>	<b>3</b>	
On maternity leave	<b>-</b>	<b>1</b>	

**Finding Report**





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

1- Followup Audit [Audit Id - 142062] Audit Date: 07/01/2019 PA Score: C

Deadline date:30/03/2019

**GOOD PRACTICES:**

None

**AREAS OF IMPROVEMENT:**

Auditee has a management system to implement the BSCI Code of Conduct but the system found ineffective. In addition, auditee completed the supply chain and stakeholder mapping. Overall, gaps have been identified in implementation- Auditor has offered to translate the Onsite Report in the local language but factory management has stated it is not necessary as they are fluent in English.

- 1.1 - Previous audit on October 1, 2018: (i) The factory license from the chief factory inspector is not achieved till the audit day. (ii) The management is unable to present the festival bonus record for review. The management informed as this is kept in Head office they can't present it on the audit day (iii) The factory recorded the working hour in manual time cards. This written manual cards showing flat in and out time for all the sample employee. This is systemically written all 553 employees in same in time as 08.00 am and out time 05.00/07.00 pm every day. This is signed and authorized by the employees once in every month. Follow up audit on January 7, 2019: Partially corrected and new findings: (i) Corrected: Facility had collected the factory license and provided during audit for review. (ii) Corrected: Festival bonus found onsite for review during the audit. (iii) Not corrected: The factory recorded the working hour in manual time cards. This written manual cards showing flat in and out time for all the sample employees. As in time 08.00 am and out time 05.00/07.00 pm every day. This is signed and authorized by the employees once every month. New findings: i) The facility has one boiler operator to operate the boiler, however, the license of the operator does not match with the online portal. ii) The facility provided several types of training on monthly basis to increase the awareness level of employees, however, the same picture found attached in last three months PPE training and chemical or MSDS training. iii) Auditee has developed child labour remediation policy to take initiative if anyone recruited under the law prescribed age limit, however, the remediation policy only focuses the young workers handling procedures instead of child labour remediation procedures.[In accordance with amfori BSCI Code 1.1]
- 1.2 - Previous audit on October 1, 2018: (i) There is no fire safety officer recruited till the audit day (ii) There is no Welfare officer recruited for the factory. Follow up audit on January 7, 2019: Corrected and new findings: (i) Corrected: Auditee appointed fire safety officer for taking care about safety related issues. (ii) Corrected: One welfare officer has been recruited as prescribed in local law. New findings: Auditee has a management team to do internal audit on a regular basis, however, by reviewing documents, few gaps observed in documentation such as same picture added in different training, boiler operator license not matched with the online portal, child labour remediation policy only focuses young labour handling procedures instead of child labour remediation procedures etc which is not reflected in internal audit. [ In accordance with the amfori BSCI code of conduct 1.2]
- 1.3 - Previous audit on October 1, 2018: The auditee has developed the policy and procedures to deal with the suppliers and sub-suppliers, however, in terms of supplier's grievance system, there is no functional system observed. Management informed that they received verbally if any and solved immediately. Follow up audit on January 7, 2019: Corrected. Auditee has established system to handle the suppliers grievance, and according to the management, from October 1, 2018 to January 6, 2019, they did not receive any grievance from the suppliers side.
- 1.4 - Previous audit on October 1, 2018: There is production planning capacity, but 6.2 is inter-related to 1.4. Thus this issue is cited both in 1.4 and 6.2. (i) Mismatched record keeping found between time cards, salary sheet that presented by management and pay slip that auditor found during walkthrough. The bundle of pay slip collected during walkthrough does not match with the salary sheet & time cards presented by the factory management for May 2018. (ii)The payroll and time card for 1 out of 20 sample employees do not match in the month of July 2018. E.g. payroll sheet showed 39 hours but time card showed 47 hours. Follow up audit on January 7, 2019: Corrected (i) Record keeping found consistent between salary sheet and time cards in the sample month of September, October and November 2018. (ii) All the working hours including overtime found match between the payroll and time card in the sample month of September, October and November 2018 during current audit.

**Remarks from Auditee:**

None

Full Audit [Audit Id - 134803] Audit Date: 01/10/2018 PA Score: E

Deadline date:01/09/2019

Good practices

The management is very positive towards social compliance issue.

Areas of improvement

Auditee has set up a management system, adopted a comprehensive social compliance policy and appointed a senior management personnel to implement the BSCI Code of Conduct. In addition, auditee completed the supply chain and stake holder mapping. The auditee provided the production records and production capacity planning for review and verification. However, gaps have been identified in implementation- The auditor offered onsite report in English, however management informed this is not required as they are fluent in English

- 1.1 - Based on the satisfactory evidence the main auditee partially respects this principle- (i) The factory license from the chief factory inspector is not achieved till the audit day. [Bangladesh Labor Rules 2015-Nineteenth Chapter- Miscellaneous-Rule 353(1)] (ii) The management is unable to present the festival bonus record for review. The management informed as this is kept in Head office they can't present it on the audit day [In accordance with amfori BSCI Code 1.1] (iii) The factory recorded the working hour in manual time cards. This written manual cards showing flat in and out time for all the sample employee. This is systemically written all 553 employees in same in time as 08.00 am and out time 05.00/07.00 pm every day. This is signed and authorized by the employees once in every month. [In accordance with amfori BSCI Code 1.1]
- 1.2 - Based on the satisfactory evidence the main auditee partially respects this principle because- (i) There is no fire safety officer recruited till the audit day [Bangladesh Labor Rules 2015-Sixth Chapter-Safety Rule 55(12)] (ii) There is no Welfare officer recruited for the factory [Bangladesh Labor Rules 2015-Chapter-Eight-Welfare Arrangements-79 (Welfare officer)]
- 1.3 - Based on the satisfactory evidence the main auditee partially respects this principle- The auditee has developed the policy and procedures to deal with the suppliers and sub-suppliers, however, in terms of supplier's grievance system, there is no functional system observed. Management informed that they received verbally if any and solved immediately. [ In accordance with the Amfori BSCI code of conduct point 1.3]
- 1.4 - Based on the satisfactory evidence the main auditee partially respects this principle- There is production planning capacity, but 6.2 is inter-related to 1.4. Thus this issue is cited both in 1.4 and 6.2. (i) Mismatched record keeping found between time cards, salary sheet that presented by management and pay slip that auditor found during walkthrough. The bundle of pay slip collected during walkthrough does not match with the salary sheet & time cards presented by the factory management for May 2018. [In accordance with amfori BSCI Code 1.4 & 6.2] (ii)The payroll and time card for 1 out of 20 sample employees do not match in the month of July 2018. E.g. payroll sheet showed 39 hours but time card showed 47 hours. [In accordance with amfori BSCI Code 1.4 & 6.2]



<b>Remarks from Auditee</b>	
Agreed	
<b>Performance Area 2 : Workers Involvement and Protection</b>	
1- Followup Audit [Audit Id - 142062] Audit Date: 07/01/2019 PA Score: A	Deadline date:30/04/2019
<b>GOOD PRACTICES:</b>	
None	
<b>AREAS OF IMPROVEMENT:</b>	
Auditee has a system for exchanging information with workers representative once in every two months . In addition, they has set long-term goals to protect the workers in long run and provides different types of training to build competency among the managers, mid-level managers, workers and workers representatives and has a grievance mechanism for individuals. Still, gap has been identified in the implementation of amfori BSCI requirements-	
2.1 -	Previous audit on October 1, 2018: Auditee formed participation committee to exchange information regarding the workplace, however, this committee formed through management selection instead of workers election. Follow up audit on January 7, 2019: Not Corrected: Facility formed the worker's participation committee through selection process which is not acceptable in local law. [Bangladesh Labour Code (2006), Sec.205]
2.3 -	Previous audit on October 1, 2018: (i) During the audit 16 employees are reported about lack of knowledge on grievance procedures, disciplinary and discrimination procedures, leave policy, overtime rate etc. (ii) Employee personal files are not with Job description of individual. Employees observed doing job NOT as per the identity card's designation. In addition the nurse are reportedly writing the pay slip in the month of May 2018 and there is written error in working hours by her and her assigned duty does not mention for this duty and responsibility. Follow up audit on January 7, 2019: Corrected: (i) All sampled 16 employees found having sufficient knowledge regarding grievance procedures, disciplinary and discrimination procedures, leave policy, overtime rate etc. (ii)All sampled checked employees personal files found attached with individual job responsibility. Employees observed doing job based on their designation which is mentioned in their identity card. During the audit, nurse found doing job in accordance with her job responsibility.
2.4 -	Previous audit on October 1, 2018: Auditee yet not start to provide training to the mid-level management in terms of their capacity building. Noted that , workers receive training on a monthly basis. Follow up audit on January 7, 2019: Corrected: Facility has provided training to the mid-level management about amfori BSCI code of conduct and other code of conduct on December 20, 2018.
2.5 -	Previous audit on October 1, 2018: Auditee has no system of handling the grievance of supplier and sub-suppliers. Follow up audit on January 7, 2019: Corrected: Auditee has established system to handle the suppliers grievance, and according to the management, from October 1, 2018 to January 6, 2019, they did not receive any grievance from the suppliers side.
<b>Remarks from Auditee:</b>	
None	
Full Audit [Audit Id - 134803] Audit Date: 01/10/2018 PA Score: D	Deadline date:01/09/2019
<b>Good practices</b>	
The workers informed management is very cooperative to listen their complaints. The owner of the factory is very good	
<b>Areas of improvement</b>	
Auditee has established management practices that involve the information exchange about workplace issues by conducting regular meeting with workers representative and management. Auditee set long-term goals to protect the workers in long run. There is a system of effective operational-level grievance mechanism for individuals and communities. Still, gaps have been detected in the implementations-	
2.1 -	Based on the satisfactory evidence the main auditee partially respects this principle as auditee formed participation committee to exchange information regarding the workplace, however, this committee formed through management selection instead of workers election. [Bangladesh Labour Code (2006), Sec.205]
2.3 -	Based on the satisfactory evidence the main auditee partially respects this principle- (i) During the audit 16 employees are reported about lack of knowledge on grievance procedures, disciplinary and discrimination procedures, leave policy, overtime rate etc. [In accordance with the Amfori BSCI code of conduct point 2.3] (ii) Employee personal files are not with Job description of individual. Employees observed doing job NOT as per the identity card's designation. In addition the nurse are reportedly writing the payslip in the month of May 2018 and there is written error in working hours by her and her assigned duty does not mention for this duty and responsibility. [In accordance with amfori BSCI Code 2.3]
2.4 -	Based on the satisfactory evidence the main auditee partially respects this principle as auditee yet not start to provide training to the mid-level management in terms of their capacity building. Noted that , workers receive training on a monthly basis. [In accordance with the Amfori BSCI code of conduct point 2.4]
2.5 -	Based on the satisfactory evidence the main auditee partially respects this principle as auditee has no system of handling the grievance of supplier and sub-suppliers. [In accordance with the Amfori BSCI code of conduct point 2.5]
<b>Remarks from Auditee</b>	
Agreed	

<b>Performance Area 3 : The rights of Freedom of Association and Collective Bargaining</b>	
1- Followup Audit [Audit Id - 142062] Audit Date: 07/01/2019 PA Score: A	Deadline date:30/04/2019
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> Auditee partially respects this performance area as the worker's participation committee not formed as prescribed in local law though they have a system to allow the workers any type of committee without any limitation. <b>3.1 -</b> Previous audit on October 1, 2018: Formed participation committee through selection instead of democratic way. Follow up audit on January 7, 2019: Not Corrected: Facility formed the workers participation committee through selection process which is not acceptable in local law. [Bangladesh Labour Code (2006), Sec.205]	
<b>Remarks from Auditee:</b> None	
Full Audit [Audit Id - 134803] Audit Date: 01/10/2018 PA Score: A	Deadline date:01/09/2019
<u>Good practices</u> None	
<u>Areas of improvement</u> Auditee partially respects this performance area as participation committee formed through selection process, however, the factory conducts regular meeting with management and workers representative. Auditee allows the workers' right to bargain collectively and does not prevent worker's representatives from having access to or interacting with workers in the workplace. Still, gaps found in the implementations- <b>3.1 -</b> Based on the satisfactory evidence the main auditee partially respects this principle as auditee formed participation committee through selection instead of democratic way. [Bangladesh Labour Code (2006), Sec.205]	
<b>Remarks from Auditee</b> The management planned to arrange workers election in December 2018	
<b>Performance Area 4 : No Discrimination</b>	
1- Followup Audit [Audit Id - 142062] Audit Date: 07/01/2019 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> N/A	
<b>AREAS OF IMPROVEMENT:</b> Not rated	
<b>Remarks from Auditee:</b> Not rated	
Full Audit [Audit Id - 134803] Audit Date: 01/10/2018 PA Score: A	Deadline date:
<u>Good practices</u> None	
<u>Areas of improvement</u> Based on the satisfactory evidence it was noted that the main auditee entirely respects this Performance Area. Because the auditee takes the necessary steps and measures to avoid and eradicate discrimination from the workplace which was ensured from documents review, management and workers interview.	
<b>Remarks from Auditee</b>	

<b>Performance Area 5 : Fair Remuneration</b>	
1- Followup Audit [Audit Id - 142062] Audit Date: 07/01/2019 PA Score: B	Deadline date:28/02/2019
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> Gaps have been identified in the implementation of social benefits in accordance with local law and living wage calculation. Rest of the area found acceptable as prescribed in local law and amfori BSCI code of conduct.  <b>5.2 -</b> Previous audit on October 1, 2018: Mismatched record keeping found in between time cards, salary sheet that presented by management and pay slip that auditor found during walkthrough. The bundle of pay slip collected during walkthrough does not match with the payment amount against the salary information presented by the factory management for May 2018. Follow up audit on January 7, 2019: Corrected. The time cards and payroll records are found consistent in the sample month of September, October & November 2018.  <b>5.4 -</b> Previous audit on October 1, 2018: Auditee has not taken any initiative to calculate the living wage of the workers to know their actual standard of living cost. Follow up audit on January 7, 2019: Not corrected: Auditee has not taken any initiative to calculate the living wage of their workers. [In accordance with the Amfori BSCI code of conduct point 5.4]  <b>5.5 -</b> Previous audit on October 1, 2018: Annual leave encashment once in a year not provided to the old employees. Noted that, facility shifted here in 2018 and employees also shifted here from the old location. Follow up audit on January 7, 2019: Not corrected: Auditee started to provide annual leave payment to their existing employees. However, calculation of annual leave payment not in line with the local law as auditee does not consider the current gross salary to pay the annual leave payment thus employees receive less amount than the supposed amount. [Bangladesh Labour Rules, 2015] New finding: Auditee does not include the employees under the mandatory insurance scheme as the biometric device not installed yet. In addition, insurance compensation certificate expired on December 2018. Bangladesh Labor Code (2006), Amendment (2013), Sec.99]	
<b>Remarks from Auditee:</b> None	
Full Audit [Audit Id - 134803] Audit Date: 01/10/2018 PA Score: C	Deadline date:01/09/2019
<u>Good practices</u> 200-300 BDT bonus amount for attendance On the audit day the auditor found 4 assistant operators in the finishing section are working as folding women. While auditor communicate this with management, the Managing Director Md. Nurul Amin Sumon instantly promoted all the affected 6 workers and revised appointment letter.	
<u>Areas of improvement</u>  Auditee follows legal minimum wage requirements which is set by the Bangladesh government minimum wage board to ensure the workers minimum wages. During recruitment auditee tries to reflect the level of employees skills and education. However, gaps have been identified-  <b>5.2 -</b> Based on the satisfactory evidence the main auditee partially respects this principle- Mismatched record keeping found in between time cards, salary sheet that presented by management and pay slip that auditor found during walkthrough. The bundle of pay slip collected during walkthrough does not match with the payment amount against the salary information presented by the factory management for May 2018. [In accordance with amfori BSCI Code 5.2]  <b>5.4 -</b> Based on the satisfactory evidence the main auditee does not respect this principle as auditee has not taken any initiative to calculate the living wage of the workers to know their actual standard of living cost. [In accordance with the Amfori BSCI code of conduct point 5.4]  <b>5.5 -</b> Based on the satisfactory evidence the main auditee partially respects this principle as annual leave encashment once in a year not provided to the old employees. Noted that, facility shifted here in 2018 and employees also shifted here from the old location. [Bangladesh Labour Rules, 2015]	
<u>Remarks from Auditee</u> Agreed	

<b>Performance Area 6 : Decent Working Hours</b>	
1- Followup Audit [Audit Id - 142062] Audit Date: 07/01/2019 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> Auditee ensures 48 hours of regular working hours in a week and one-hour lunch break in every working day in accordance with local law. In addition, the auditee provided one day weekly off after 6 consecutive days of work. Overall, auditee respects this performance area entirely. <b>6.2 -</b> Previous audit on October 1, 2018: Previous audit findings: (i) Mismatched record keeping found between time cards, salary sheet that presented by management and pay slip that auditor found during walkthrough. The bundle of pay slip collected during walkthrough does not match with the salary sheet & time cards presented by the factory management for May 2018. (ii) The payroll and time card for 1 out of 20 sample employees do not match in the month of July 2018. E.g. payroll sheet showed 39 hours but time card showed 47 hours. Follow up audit on January 7, 2019: Corrected: (i) The time cards and payroll records are found consistent for the sample month of September, October & November 2018 (ii) The overtime is found matched between salary sheet and time cards in the sample month of September, October & November 2018	
<b>Remarks from Auditee:</b> None	
Full Audit [Audit Id - 134803] Audit Date: 01/10/2018 PA Score: C	Deadline date:01/09/2019
<u>Good practices</u> None	
<u>Areas of improvement</u> Based on the satisfactory evidence the main auditee entirely respects this performance area. Total regular working hour observed 48 hours per week which meets the local law standard. The auditee grants workers the right of break of 1 hour in every working days. However, gaps have been identified in the implementation- <b>6.2 -</b> Based on the satisfactory evidence the main auditee partially respects this principle- (i) Mismatched record keeping found between time cards, salary sheet that presented by management and pay slip that auditor found during walkthrough. The bundle of pay slip collected during walkthrough does not match with the salary sheet & time cards presented by the factory management for May 2018. [In accordance with amfori BSCI Code 6.2] (ii) The payroll and time card for 1 out of 20 sample employees do not match in the month of July 2018. E.g. payroll sheet showed 39 hours but time card showed 47 hours. [In accordance with amfori BSCI Code 6.2]	
<u>Remarks from Auditee</u> Agreed	

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

1- Followup Audit [Audit Id - 142062] Audit Date: 07/01/2019 PA Score: B

Deadline date:30/06/2019

**GOOD PRACTICES:**

None

**AREAS OF IMPROVEMENT:**

Gaps have been in the implementation of amfori BSCI code of conduct and local regulations though auditee has a management system and occupational health & safety committee to deal with workplace-related issues by carrying out risk assessments.

- 7.1 - Previous audit on October 1, 2018: (i) The auditee still has not achieved the occupational health and safety licenses as required by the country law as below- (ii) There are machines set up in the different floor however there is no permission from the chief factory inspector for machine lay out. (iii) There is no separation from the factory building and public resident to restrict the factory. Follow up audit on January 7, 2019: Partially corrected. (i) Corrected: The factory has received occupation health and safety license as required by law such as factory license, fire license (ii) Corrected: The factory has showed the permission from the chief factory inspector for machine lay out. The approval was given on 28-Nov-18 as per the provided photocopy of the machine lay out plan. (iii) Not corrected: There is no separation from the factory building and public resident to restrict the factory.
- 7.2 - Previous audit on October 1, 2018: There are totally 553 workers reported on the audit day. However none of the workers are covered under the compulsory accident and injury scheme from the government. Follow up audit on January 7, 2019: Not corrected and new finding: Auditee does not include the employees under the mandatory insurance scheme as the biometric device not installed yet. Currently auditee has 544 employees. New finding: Insurance compensation certificate has expired in December 2018.[Bangladesh Labor Code (2006), Amendment (2013), Sec.99]
- 7.3 - Previous audit on October 1, 2018: The factory has assessed the risk for fire. However this risk assessment does not include the risk on internal staircase leading to evacuation process from the ground, 1st and 2nd floors. There is no external staircase from the cutting section observed in the 2nd floor. Both staircase internally meet the production floor of 1st floor and ground floor respectively. Follow up audit on January 7, 2019: Not corrected: Risk assessment does not include the risk on internal staircase leading to evacuation process from the ground, 1st and 2nd floors. There is no external staircase from the cutting section observed in the 2nd floor. Both staircase internally meet the production floor of 1st floor and ground floor respectively. [In accordance with amfori BSCI Code 7.3]
- 7.4 - Previous audit on October 1, 2018: There is no elected worker association for the auditee who can nominate the safety committee member as per the legal requirement. Auditee formed safety committee, however, this formation not in line with the local law as the committee formed by selected participation committee instead of elected one. Current status on follow up audit on January 7, 2019: Not corrected: Safety committee formation observed not in line with the local law as the committee formed by selected participation committee. [Bangladesh Labor Rules 2015-Eighth Chapter- Welfare Arrangements-Rule 81]
- 7.5 - Previous audit on October 1, 2018: Auditee conducted fire drill every two months but no notification sent to nearby fire department 15 days before the drill scheduled. Follow up audit on January 7, 2019: Not corrected: Facility does not send the notification before 15 days of fire drill to nearby fire station. [ Bangladesh Labor Rules 2015-Sixth Chapter-Safety Rule 55] New finding: All the new recruited employees were not included in the orientation training. Facility covered 30 employees in November and December 2018 while total newly recruited employees found 26 in November 2018 and 34 in December 2018. [ In accordance with the amfori BSCI code of conduct 7.5]
- 7.6 - Previous audit on October 1, 2018: The workers are not using personal protective equipment. (i) One out of one thread sucker employees was found not using any ear plug while working. (ii) One spot removing employee is found not using appropriate mask for chemical usage, who is using dust mask instead of respiratory mask. (iii) Approximately 3 overlock operators are found not using any eye guards Follow up audit on January 7, 2019: Corrected: (i) All thread sucker operators are using ear muff during work. (ii) All spot removing employees found using chemical safety mask . (iii) Overlock operators are found using eye guards.
- 7.10 - Previous audit on October 1, 2018: The auditee has a system to keep records of all accident and injury but not conduct any root cause analysis on accident and injury. Follow up audit on January 7, 2019: Corrected: Auditee has started to conduct root cause analysis on recorded accident and injury.
- 7.11 - Previous audit on October 1, 2018: (i) There is no approval from the chief factory inspector for the building layout plan which is they are currently using for production. (ii) The factory is not covered under the fire license. The management applied it on September 27, 2018. There is a kitchen with cooking observed in the ground floor which is not covered under total calculated area (iii) The factory building and structures are not approved by the chief factory inspector. In addition there is no external staircase from the cutting section observed in the 2nd floor. Both two staircases internally meet the production floor of 1st floor and ground floor respectively. This is not approved by the inspector of the factory. In addition, the slop of the staircase is found more than 45 degree apparently and not approved by the factory inspector. Note: No external staircase from the cutting section observed in the 2nd floor. There are 2 staircase from that floor. Both two staircases come from floor to below level internally meet the production floor of 1st floor and ground floor respectively. This factory building and structures are not approved by the chief factory inspector.  
  
Follow up audit on January 7, 2019: Partially corrected: (i) Partially corrected: Factory has collected approval from the chief factory inspector for the building layout plan which is they are currently using for production. The factory has showed the permission from the chief factory inspector for machine lay out. The approval was given on 28-Nov-18 as per the provided photocopy of the machine lay out plan. However, external staircase is not included in the building approval plan which is approved from the chief factory inspector. (ii) Corrected: The factory is covered under the fire license no# DD/Dhaka/28610/2018. The approval is given for 36000 square feet and valid up to 30-Jun-19. (iii)Partially corrected: The factory building and structures are now approved by the chief factory inspector on 28-Nov-18. There is no external staircase from the cutting section observed on the 2nd floor, but this is set up as per the approved lay out plan and 45 degree slop of staircase also approved by the chief factory inspector.
- 7.13 - Previous audit on October 1, 2018: There is no licensed electrician at the factory. Follow up audit on January 7, 2019: Not corrected: Auditee has one electrician to do the electrical work in the facility, but the operator is not licensed. [Bangladesh Labor Rules 2015-Sixth Chapter-Safety Rule 58(9)]
- 7.17 - Previous audit on October 1, 2018: Needle guards for approximately 5 sewing machines are found installed inappropriately. Those are moved from their actual position. Follow up audit on January 7, 2019: Corrected: Randomly checked 5 sewing machines are observed with needle guards in appropriate position.
- 7.21 - Previous audit on October 1, 2018: The factory does not provide any social facility like canteen and dining. Follow up audit on January 7, 2019: Not corrected: The factory does not provide any social facility like canteen and dining [Bangladesh Labor Code (2006), Sec.93(1-2)]

<b>Remarks from Auditee:</b>	
None	
Full Audit [Audit Id - 134803] Audit Date: 01/10/2018 PA Score: B	Deadline date:01/09/2019
<u>Good practices</u>	
Addressable smoke alarm is installed. Install booster pump to increase the water pressure in fire hose.	
<u>Areas of improvement</u>	
<p>Auditee formed a management system and occupational health &amp; safety committee to improve workers' protection by carrying out workplace related risk assessments. In addition, accident and injury records are maintained on a monthly basis. The general escape routes are found with evacuation plans. The auditee provides potable water and maintains acceptable temperature, humidity, space, sanitation, illumination which are reportedly adequate for the health and safety of workers. However, gaps have been identified in implementation-</p>	
7.1 -	Based on the satisfactory evidence the main auditee does not respect this principle- The auditee still has not achieved the occupational health and safety licenses as required by the country law as below- (i) There are machines set up in the different floor however there is no permission from the chief factory inspector for machine lay out. [Bangladesh Labor Rules 2015-Nineteenth Chapter- Miscellaneous-Rule 353(1)] (ii) There is no separation from the factory building and public resident to restrict the factory.
7.2 -	Based on the satisfactory evidence the main auditee does not respect this principle- There are totally 553 workers reported on the audit day. However none of the workers are covered under the compulsory accident and injury scheme from the government. [Bangladesh Labor Code (2006), Amendment (2013), Sec.99]
7.3 -	Based on the satisfactory evidence the main auditee partially respects this principle- The factory has assessed the risk for fire. However this risk assessment does not include the risk on internal staircase leading to evacuation process from the ground, 1st and 2nd floors. There is no external staircase from the cutting section observed in the 2nd floor. Both staircase internally meet the production floor of 1st floor and ground floor respectively. [In accordance with amfori BSCI Code 7.3]
7.4 -	Based on the satisfactory evidence the main auditee partially respects this principle- There is no elected worker association for the auditee who can nominate the safety committee member as per the legal requirement. Auditee formed safety committee, however, this formation not in line with the local law as the committee formed by selected participation committee instead of elected one. [In accordance with Bangladesh Labor Rules 2015-Eighth Chapter- Welfare Arrangements-Rule 81]
7.5 -	Based on the satisfactory evidence the main auditee partially respects this principle as auditee conducted fire drill every two months but no notification sent to nearby fire department 15 days before the drill scheduled. [Bangladesh Labor Rules 2015-Sixth Chapter-Safety Rule 55]
7.6 -	Based on the satisfactory evidence the main auditee partially respects this principle- The workers are not using personal protective equipment. One out of one thread sucker employees was found not using any ear plug while working. One spot removing employee is found not using appropriate mask for chemical usage, who is using dust mask instead of respiratory mask. Approximately 3 overlock operators are found not using any eye guards [Bangladesh Labor Code (2006), Amendment (2013),78(a). Mandatory use of personal protective equipment]
7.10 -	Based on the satisfactory evidence the main auditee partially respects this principle- The auditee has a system to keep records of all accident and injury but not conduct any root cause analysis on accident and injury. [In accordance with the Amfori BSCI code of conduct point 7.10]
7.11 -	Based on the satisfactory evidence the main auditee partially respects this principle- (i) There is no approval from the chief factory inspector for the building layout plan which is they are currently using for production. [Bangladesh Labor Rules 2015-Nineteenth Chapter- Miscellaneous-Rule 353(1)] (i) The factory is not covered under the fire license. The management applied it on September 27, 2018. There is a kitchen with cooking observed in the ground floor which is not covered under total calculated area [Bangladesh Fire Service and civil Defense authority] (ii) The factory building and structures are not approved by the chief factory inspector. In addition there is no external staircase from the cutting section observed in the 2nd floor. Both two staircases internally meet the production floor of 1st floor and ground floor respectively. This is not approved by the inspector of the factory. In addition, the slop of the staircase is found more than 45 degree apparently and not approved by the factory inspector. [Bangladesh Labor Rules 2015-Nineteenth Chapter- Miscellaneous-Rule 353(1)] Note: No external staircase from the cutting section observed in the 2nd floor. There are 2 staircase from that floor. Both two staircases come from floor to below level internally meet the production floor of 1st floor and ground floor respectively. This factory building and structures are not approved by the chief factory inspector.
7.13 -	Based on the satisfactory evidence the main auditee partially respects this principle- There is no licensed electrician at the factory [Bangladesh Labor Rules 2015-Sixth Chapter-Safety Rule 58(9)]
7.17 -	Based on the satisfactory evidence the main auditee partially respects this principle- Needle guards for approximately 5 sewing machines are found installed inappropriately. Those are moved from their actual position. [In accordance with amfori BSCI Code 7.17]
7.21 -	Based on the satisfactory evidence the main auditee does not respect this principle- The factory do not provide any social facility like canteen and dining [Bangladesh Labor Code (2006), Sec.93(1-2)]
<u>Remarks from Auditee</u>	
Agreed	

<b>Performance Area 8 : No Child Labour</b>	
1- Followup Audit [Audit Id - 142062] Audit Date: 07/01/2019 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> N/A	
<b>AREAS OF IMPROVEMENT:</b> Not rated	
<b>Remarks from Auditee:</b>	
Full Audit [Audit Id - 134803] Audit Date: 01/10/2018 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
There is management system implemented and established for conducting the robust age-verification mechanism as part of the recruitment process. The factory maintains policies and procedures in writing toward protecting children from any kind of exploitation. Based on the satisfactory evidence it was noted that the main auditee entirely respects this Performance Area.	
<u>Remarks from Auditee</u>	
<b>Performance Area 9 : Special protection for young workers</b>	
1- Followup Audit [Audit Id - 142062] Audit Date: 07/01/2019 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> N/A	
<b>AREAS OF IMPROVEMENT:</b> Not rated	
<b>Remarks from Auditee:</b>	
Full Audit [Audit Id - 134803] Audit Date: 01/10/2018 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
The auditor noted that no young workers engagement onsite (9.1 - 9.6 are not applicable)	
<u>Remarks from Auditee</u>	



<b>Performance Area 10 : No Precarious Employment</b>	
1- Followup Audit [Audit Id - 142062] Audit Date: 07/01/2019 PA Score: A	Deadline date:28/02/2019
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> The auditee ensures the secures employment relationship towards the social or economic vulnerable workers. During the audit, no short/part-time/ seasonal workers reported. However, gap has been identified in the implementation- <b>10.2 -</b> Previous audit on October 1, 2018: (i) 2 out of 20 sample employees ID card is found without any photo. (ii) Age and medical fitness certificate is not maintained as per the form no 15. (iii) Service book is not reflected with the information of Bonus for all the 20 sample and employees signature is missing in the service book for 5 samples. In addition 5 sample employees' increment is not updated in the service book. Follow up audit on January 7, 2019: Partially corrected: (i) Corrected: All sampled employees' ID cards are found with photo. (ii) Corrected: Age and medical fitness certificate found in accordance with the form no form-15. (iii) Partially corrected: Increment information mentioned in service book but bonus information and leave status not updated in 6 out of 16 sampled service books.[Bangladesh Labour Code (2006), Sec.6(1-5) & (9)]	
<b>Remarks from Auditee:</b> None	
Full Audit [Audit Id - 134803] Audit Date: 01/10/2018 PA Score: A	Deadline date:01/09/2019
<u>Good practices</u> None	
<u>Areas of improvement</u> Based on the satisfactory evidence the main auditee partially respects this Performance Area. The auditee ensures the secures employment relationship towards the social or economic vulnerable workers. During the audit, no short/part-time/ seasonal workers reported. However, gaps have been identified in the implementation- <b>10.2 -</b> Based on the satisfactory evidence the main auditee partially respects this principle- (i) 2 out of 20 sample employees ID card is found without any photo. [Bangladesh Labour Code (2006), Sec.5] (ii) Age and medical fitness certificate is not maintained as per the form no 15 [Bangladesh Labor rules 2015, form no 15] (iii) Service book is not reflected with the information of Bonus for all the 20 sample and employees signature is missing in the service book for 5 samples. In addition 5 sample employees' increment is not updated in the service book [Bangladesh Labour Code (2006), Sec.6(1-5) & (9)]	
<u>Remarks from Auditee</u> None	
<b>Performance Area 11 : No Bonded Labour</b>	
1- Followup Audit [Audit Id - 142062] Audit Date: 07/01/2019 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> N/A	
<b>AREAS OF IMPROVEMENT:</b> Not rated	
<b>Remarks from Auditee:</b>	
Full Audit [Audit Id - 134803] Audit Date: 01/10/2018 PA Score: A	Deadline date:
<u>Good practices</u> None	
<u>Areas of improvement</u> Based on satisfactory evidence the main auditee entirely respects this Performance Area. Auditee does not engage in any form of Prison, servitude, forced, bonded, indentured, trafficked or non-voluntary labor. No migrant workers are hired , that is why 11.2 is graded N/A.	
<u>Remarks from Auditee</u>	

<b>Performance Area 12 : Protection of the Environment</b>	
1- Followup Audit [Audit Id - 142062] Audit Date: 07/01/2019 PA Score: A	Deadline date:30/01/2019
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> The main wastes include fabric, plastic, threads and general household wastes and auditee sold the wastage to the local vendor. Facility tries to respects the amfori BSCI code of conduct and local law regulations in terms of ensuring a safe environment. However, gap has been identified in implementation. <b>12.4 -</b> Previous audit on October 1, 2018: The condition in the left side of the main production building is not in good condition. There are waste found without any protection. Follow up audit on January 7, 2019: Corrected. The factory removed all the wastes from the left side of the main production building which is previously used as wastes store. All wastes in the facility are properly stored. <b>12.5 -</b> Previous audit on October 1, 2018: Auditee did not implement any program to promote water conservation and water use reduction in the premises. In addition, the factory did not provide any awareness training on water and energy use to the employees and no awareness poster observed inside the washroom. Follow up audit on January 7, 2019: Partially corrected: Auditee takes initiative to promote water conservation and use in the premises and provided training to increase the awareness among the workers. However, there is no awareness poster for promoting water conservation and water use reduction observed inside the washroom [In accordance with amfori BSCI Code 12.5.]	
<b>Remarks from Auditee:</b> None	
Full Audit [Audit Id - 134803] Audit Date: 01/10/2018 PA Score: B	Deadline date:01/09/2019
<u>Good practices</u> The factory has installed solar panel for reduce the electricity consumption	
<u>Areas of improvement</u> The main wastes of auditee are reportedly fabric, plastic, threads and general household wastes as the auditee does not engage any excessive use of production related to chemicals. Auditee sold the wastage to the local vendor. Overall, auditee tries to consider the environment safety. However, gaps have been identified in the implementation- <b>12.4 -</b> Based on the satisfactory evidence the main auditee partially respects this principle- The condition in the left side of the main production building is not in good condition. There are waste found without any protection [In accordance with amfori BSCI Code 12.4] <b>12.5 -</b> Based on the satisfactory evidence the main auditee partially respects this principle- auditee did not implement any program to promote water conservation and water use reduction in the premises. In addition, the factory did not provide any awareness training on water and energy use to the employees and no awareness poster observed inside the washroom. [In accordance with amfori BSCI Code 12.5].	
<b>Remarks from Auditee</b> Agreed	

<b>Performance Area 13 : Ethical Business Behaviour</b>	
1- Followup Audit [Audit Id - 142062] Audit Date: 07/01/2019 PA Score: A	Deadline date:30/01/2019
<b>GOOD PRACTICES:</b> None	
<b>AREAS OF IMPROVEMENT:</b> Overall, gap has been identified in the implementation of amfori BSCI code of conduct though auditee has developed written policy and procedures to eradicate the corruption, extortion or embezzlement, or in any form of bribery in its activities as a business enterprise. <b>13.1 -</b> Previous audit on October 1, 2018: Facility did not provide any awareness training on for ethical behaviour and integrity to their staff and workers. Follow up audit on January 7, 2019: Partially corrected: There is no training found for workers on anti-bribery and corruption. But auditee has started to provide training towards management and staff on bribery and corruption. [In accordance with amfori BSCI Code 13.1] <b>13.2 -</b> Previous audit on October 1, 2018: (i)Record keeping system does not provide accurate, factual and structured information for the month of May 2018. There is inconsistency in record keeping found between time cards, salary sheet and pay slip auditor found during the walkthrough. The bundle of pay slip collected during walkthrough does not match with the salary sheet & time cards presented by the factory management for May 2018. (ii) The payroll and time card for 1 out of 20 sample employees do not match in the month of July 2018. E.g. payroll sheet showed 39 hours but time card showed 47 hours. Follow up audit on January 7, 2019: Corrected: (i) There is no inconsistency noted in record keeping between time cards, salary sheet and pay slip in the sample month of September, October & November 2018. (ii) The overtime is found matched between salary sheet and time cards in the sample month of September, October & November 2018.	
<b>Remarks from Auditee:</b> None	
Full Audit [Audit Id - 134803] Audit Date: 01/10/2018 PA Score: C	Deadline date:01/09/2019
<u>Good practices</u> None	
<u>Areas of improvement</u> Based on the satisfactory evidence, the main auditee partially respects this performance area. Auditee has written policy and procedures to eradicate the corruption, extortion or embezzlement, or in any form of bribery in its activities as a business enterprise. Still, gaps have been identified- <b>13.1 -</b> Based on satisfactory evidence, the main auditee partially respects the principle because- facility did not provide any awareness training on for ethical behavior and integrity to their staff and workers. [In accordance with amfori BSCI Code 13.1. ] <b>13.2 -</b> Based on satisfactory evidence, the main auditee does not respect the principle because- (i)Record keeping system does not provide accurate, factual and structured information for the month of May 2018. There is inconsistency in record keeping found between time cards, salary sheet and pay slip auditor found during walkthrough. The bundle of pay slip collected during walkthrough does not match with the salary sheet & time cards presented by the factory management for May 2018. (ii) The payroll and time card for 1 out of 20 sample employees do not match in the month of July 2018. E.g. payroll sheet showed 39 hours but time card showed 47 hours. [In accordance with amfori BSCI Code 13.2]	
<u>Remarks from Auditee</u> None	

**Summary** 

Audit Type	Date	Audit Id	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	PA10	PA11	PA12	PA13	Overall Rating
Follow-up Audit	07/01/2019	142062	C	A	A	A	B	A	B	A	A	A	A	A	A	B
Full Audit	01/10/2018	134803	E	D	A	A	C	C	B	A	A	A	A	B	C	D

Producer Photos



External photo(s) of the production unit(s)  
Entity name.JPG



Photo of non-conformity  
There is no separation from the factory building and public resident to restrict the factory.JPG



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



External photo(s) of the production unit(s)  
Facility Outlook.JPG

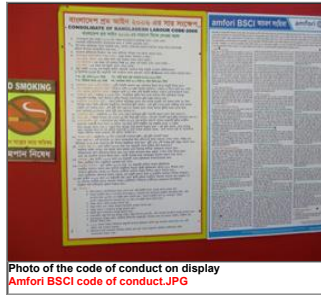


Photo of the code of conduct on display  
Amfori BSCI code of conduct.JPG



Photo of the inside of the main production hall  
Steam boiler area.JPG



Photo first aid facilities  
First aid kit.JPG



Photo of the inside of the main production hall  
Cutting section.JPG



Photo of the personal protection equipments (if applicable)  
Overlock operators are using eye guards.JPG



Photo of fire safety equipment  
Fire alarm.JPG



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



Photo of the personal protection equipments (if applicable)  
Spot removing employee using chemical safety mask.JPG



Photo of fire safety equipment  
Fire extinguisher.JPG



Photo of the inside of the main production hall  
Production Areas.JPG



Photo of the personal protection equipments (if applicable)  
Thread sucker operators are using ear muff.JPG



Photo of fire safety equipment  
Fire hose.JPG



Photo of the inside of the main production hall  
Production floors-finishing section.JPG



Photo of the sanitary facilities  
Drinking water facility .JPG



Photo of fire safety equipment  
Smoke detector.JPG