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|                                   |   |
|-----------------------------------|---|
| Auditee :                         | <b>Ananta Garments Ltd.</b>   |
| Audit Date From :                 | <b>23/06/2019</b>   |
| Audit Date To :                   | <b>25/06/2019</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>Towhidur Rahman(Lead), Sultana Majumder</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><br><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><br><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><br><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><br><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><br><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 Garments Ltd.</b>   |                 |                   |
| DBID number :               | <b>5676</b>   |                 |                   |
| Audit ID :                  | <b>155044</b>   |                 |                   |
| Address :                   | <b>Nishchintapur, Ashulia, Savar, Savar</b>                         |                 |                   |
| Province :                  | <b>Dhaka</b>  | Country :       | <b>Bangladesh</b> |
| Management Representative : | <b>Muhammad Zahir Uddin (Assistant General Manager- Compliance)</b> |                 |                   |
| Contact person:             | <b>Arif Ahmmed Khan</b>   | Sector :        | <b>Non-Food</b>   |
| Industry Type :             | <b>Textiles, clothing, leather</b>                                  | Product group : | <b>Apparel</b>    |
| Product Type :              | <b>All types of Woven Items</b>                                     |                 |                   |

**Audit Details**


|  |  |   |
|--|--|---|
| Audit Range :  | <input checked="" type="checkbox"/> Full Audit   | <input 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 :                                       | C  |   |
| Need of follow-up :                                    | Yes  | If YES, by : 25/06/2020   |

**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 |
|------|------|------|------|------|------|------|------|------|-------|-------|-------|-------|
| D    | D    | A    | A    | A    | C    | B    | A    | A    | A     | A     | B     | A     |

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

This was regular full audit which was semi-announced and started in the morning time on June 23, 2019 and ended at afternoon on June 25, 2019. Two ALGI field staffs; Mr. Towhidur Rahman (APSCA registration No.- ASCA 21700958) and Ms. Sultana Majumder (APSCA registration No.- ASCA 21701372) were assigned for three days, 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;  
 The Rights of Freedom of Association and Collective Bargaining;  
 No Discrimination;  
 Fair Remuneration;  
 Decent Working Hours;  
 Occupational Health and Safety;  
 No Child Labour;  
 Special Protection of Young Workers;  
 No Precarious Employment;  
 No Bonded Labour;  
 Protection of the Environment and  
 Ethical Business Behaviour.

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 Garments Ltd." is a Private Limited Company. The Factory is located at Nishchintapur, Ashulia, Savar, Dhaka, Bangladesh, which is approximately 17 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 2005. The updated Factory License No: 12612/Dhaka; Trade License No: 002151 as well as Fire License No: DD/Dhaka/19036/2005. All these business licenses are valid until June 30, 2019. The total land area occupied by the facility is about 195,750 square feet, where the built-up area is about 179,657 square feet (as per fire license). The facility is specialized in manufacturing of all types of Woven Garments. Main production processes include cutting > sewing > washing > finishing > packing with a maximum production capacity of 600,000 pieces per month.

**Site Description:**

The facility comprises of two buildings and sixteen sheds. Building & sheds description is given below:

**Building 01 (9 storied):**

Ground Floor is occupied by warehouse, accessories store, finished goods store, generator, and medical room. (All areas are combinedly used by two factories)

1st Floor is occupied by the finishing section.

2nd Floor is occupied by Ananta Sportswear Limited. (Another entity under the same management).

3rd Floor is occupied by sewing and finishing section.

4th Floor is occupied by sewing section, packing section, and sample section.

5th Floor is occupied by sewing section, sub store, and Ananta Sportswear Limited. (Another entity under the same management).

6th & 7th Floor is occupied by Ananta Sportswear Limited. (Another entity under the same management).  
8th Floor is occupied by cutting & sample section are combinedly used by two factories.  
Rooftop is occupied by workers dining which is combinedly used by two factories and 85% space are free.

Building 02 (1 storied):  
Ground Floor is occupied by a security checkpoint and reception.

Shed 01: Boiler & workshop. (These areas are combinedly used by two factories)  
Shed 02: Workers dining. (Combinedly used by two factories)  
Shed 03: Canteen, mosque (prayer room), and fire control room. (These areas are combinedly used by two factories)  
Shed 04: Tuck & Bartek section for Ananta Sportswear Limited. (Another entity under the same management).  
Shed 05: Child care center. (Combinedly used by two factories)  
Shed 06: Embroidery & elastic section for Ananta Sportswear Limited. (Another entity under the same management).  
Shed 07: Elastic section for Ananta Sportswear Limited. (Another entity under the same management).  
Shed 08: Leftover store for Ananta Sportswear Limited. (Another entity under the same management).  
Shed 09: Rejection area for Ananta Sportswear Limited. (Another entity under the same management).  
Shed 10: Security dormitory.  
Shed 11: Security dormitory and Kitchen.  
Shed 12: Staff dormitory.  
Shed 13: Stationery store.  
Shed 14: Furniture repairing shop.  
Shed 15: Wastage store.  
Shed 16: Vehicle keeping area.

A total of 3190 employees are currently working in the factory, which includes 2693 production workers and 497 management & staff. All the workers are local, and no migrant workers are employed. Workers' monthly turnover rate is 5%.

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 03:00 pm, 03:00 pm to 11:00 pm & 11:00 pm to 07:00 am. Sixty minutes are assigned in 02 slots for resting break for all. As per factory management, June to September is off-peak season and October to May is peak season.

There was no organized labor union established in the facility. The facility has established a Workers Participation Committee (WPC) comprising of 18 members (Management - 09 & Worker - 09) and the last meeting was conducted on May 16, 2019.

#### Opening Meeting:

Muhammad Zahir Uddin (Assistant 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): 12 months' wage and timekeeping records were asked from June'18 to May '19 and reviewed in detail for the months of May'19 (current month), September'18 (Off-peak month) and June'18 (initial 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 BDT 8000 per month. Payslips were 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 but there is no system in place to keep records of written and verbal grievances lodged.

#### Health & Safety Tour:

All areas and floors of this factory were toured including production process, finished goods area, sample section, medical room, child care room, dining area, rooftop & utility areas. The H&S condition of this factory is satisfactory. The production floor was found clean. 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 all exit points in the local language. All electrical panel boards were found clean, steam pipes & electrical wires were in proper insulation. Fire alarm bell, fire alarm switch, visual fire alarm, smoke detector was available with power back up in all workplaces including utility areas.

#### Workers Interview:

A total of 39 (27 female and 12 male) workers were interviewed from various sections of the factory including cutting sewing, finishing, quality, packing and admin section. 14 were interviewed individually & 25 were interviewed in five groups 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.

#### Closing Meeting:

Muhammad Zahir Uddin (Assistant General Manager- Compliance), along with the factory compliance team and a representative from Workers Participation Committee (WPC) 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 afternoon on June 25, 2019.

**Ratings Summary**


| Auditee's background information |   |   |                          |
|----------------------------------|---|---|--------------------------|
| Auditee's name :                 | Ananta Garments Ltd.                          | Legal status :  | Private Limited Company  |
| Local Name :                     | অনন্ত গার্মেন্টস লি.                          | Year in which the auditee was founded :                     | 2005                     |
| Address :                        | Nishchintapur, Ashulia, Savar,                | Contact person (please select) :                            | Arif Ahmmed Khan         |
| Province :                       | Dhaka   | Contact's Email :   | arifkhan@ananta.com.bd   |
| City :                           | Savar   | 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: 23.924823<br>  Longitude: 90.310155 | Total turnover (in Euros) :                                 | 0.00                     |
| 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 :                         | No                       |
| Product Type :                   | All types of Woven Items                      |   |                          |

| Auditee's employment structure at the time of the audit |              |  |
|---|--------------|--|
| Total number of workers :                               | 3190         | Total number of workers in the production unit to be monitored (if applicable) : 0 |
|   | MALE WORKERS | FEMALE WORKERS   |
| Permanent workers                                       | 1117         | 2073   |
| Temporary workers                                       | 0            | 0  |
| In management positions                                 | 79           | 6  |
| Apprentices   | 0            | 0  |
| On probation  | 302          | 705  |
| With disabilities                                       | 4            | 6  |
| Migrants (national citizens)                            | 0            | 0  |
| Migrants (foreign citizens)                             | 0            | 0  |
| Workers on the permanent payroll                        | 1117         | 2073   |
| Production based workers                                | 0            | 0  |
| With shifts at night                                    | 23           | 0  |
| Unionised   | 0            | 0  |
| Pregnant  | -            | 16   |
| On maternity leave                                      | -            | 21   |

**Finding Report**



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

Full Audit [Audit Id - 155044] Audit Date: 23/06/2019 PA Score: D

Deadline date:31/05/2020

**GOOD PRACTICES:**

Nil

**AREAS OF IMPROVEMENT:**

Based on the satisfactory evidence the auditee partially respects the requirements of this performance area. The auditee has developed a series of social responsibility policies and procedures and following those, they are gradually as well as progressively expanding the arena of its corporate social responsibilities. Management system shows that they believed in education & proper OHS issues and they are trying to provide as well as ensure free health, medical & educational program. The Deputy Managing Director authorized a management representative to cover several areas of work such as strategy and business development as well as to work actively towards adhering to the Code of Conduct as part of the business culture. His understanding of the BSCI principles & values were found satisfactory. However, gaps have been identified in the effectiveness of monitoring of the social performances of their significant business partners and workforce planning.

**1.1 -** There is satisfactory evidence that the auditee has not set up an effective management system to ensure social performance can be integrated into the business model. Though the auditee has established a set of policy and procedure for personal empowerment over the process and continuous improvement, gaps have been identified in some areas: Workers Involvement and Protection, Decent Working Hours, Occupational Health and Safety, Protection of the Environment.

**1.3 -** The auditee has shared the BSCI CoC and TOI with their suppliers, but they did not establish a proper monitoring system of their existing and potential business partner's social performance incoherent with amfori BSCI Code to ensure continuous improvement and address possible human rights violations. Noted that they have developed a questionnaire which does not comply with all requirements of BSCI. (As per BSCI Code)

**1.4 -** The auditee had not effectively assessed and properly planned its workforce capacity in order to meet the expectations of the delivery order or contracts to reduce overtime which may impact both quality & workers health. Generally, the production plan was made considering 10- hours (8 hours of general work and 2 hours overtime) per day where workers were imposed to do overtime. Further, the auditee did not enforce internal procedure in place during an exceptional period for doing extra overtime hours like approval by a worker representative and management, defining how many hours a worker may work daily, weekly and monthly and respects other criteria defined by national law. (As per BSCI Code)

**Remarks from Auditee:**

None



**Performance Area 2 : Workers Involvement and Protection**

Full Audit [Audit Id - 155044] Audit Date: 23/06/2019 PA Score: D

Deadline date:31/05/2020

**GOOD PRACTICES:**

Nil

**AREAS OF IMPROVEMENT:**

Based on the satisfactory evidence the auditee partially respects the requirements of this performance area. The auditee has formed different committees like workers participation committee, safety committee, canteen committee, grievance handling committee etc. to exchange information on workplace-related issues with workers and their representatives. Further, for the capacity building of the workers, the auditee developed a training calendar and organized specific training as per the pre-defined time scheduled. Moreover, the auditee provided grievance boxes in a confidential area, and suggestion boxes in the production floor in order to get workers thoughts. However, gaps have been identified in the effectiveness of those training programs, grievance mechanism, and strategic planning to achieve their long-term goals.

**2.2 -** There is satisfactory evidence that the auditee does not define long-term goals to protect workers incoherent with amfori BSCI code. It was evident through document review and management interview that the factory did not set their mission, vision, and objectives in line with BSCI code yet. (As per BSCI Code)

**2.3 -** The auditee provided periodical training on workers' rights, but the gap has been identified in the effectiveness of this training program. Approximately 40% of interviewed workers found not aware of their entitled social benefits and leaves, overtime rate, absent deduction process, calculation of service benefits after termination from job and maternity benefit. (As per BSCI Code)

**2.5 -** The auditee has not established an effective operational level of grievance mechanism for individuals. There is no record keeping system of grievances lodged verbally by workers. Furthermore, the facility management did not conduct regular satisfaction survey to workers on the grievance mechanism. (As per BSCI Code)

**Remarks from Auditee:**

None

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

Full Audit [Audit Id - 155044] Audit Date: 23/06/2019 PA Score: A

Deadline date:

**GOOD PRACTICES:**

Nil

**AREAS OF IMPROVEMENT:**

Based on the satisfactory evidence the auditee respects all the requirements of this performance area. The auditee has developed an FOA policy where it is clearly defined that workers are free to form the association as per law and are free to bargain. However, they have formed a workers participation committee (WPC) parallel means of the association through the election process in the year 2017. Committee members ensured that they can share any kind of workplace-related issues & workers problem with the management and the management always respectfully responses to their words. 3.3 marked as N/A, as there is no worker who is directly involved with any trade union.

**Remarks from Auditee:**
**Performance Area 4 : No Discrimination**

Full Audit [Audit Id - 155044] Audit Date: 23/06/2019 PA Score: A

Deadline date:

**GOOD PRACTICES:**

Nil

**AREAS OF IMPROVEMENT:**

Based on the satisfactory evidence the auditee respects all the requirements of this performance area. The auditee has developed an "Anti-Harassment & Anti-Discrimination" policy and the factory practices show that they are trying to eradicate the discrimination in the time of recruitment, setting up wages, increment, promotion, bonuses, ensuring leave etc. Interviewed workers confirmed that they did not face any form of discrimination yet and all workers are treated equally in this place.

**Remarks from Auditee:**



| <b>Performance Area 5 : Fair Remuneration</b>   |                          |
|---|--------------------------|
| Full Audit [Audit Id - 155044] Audit Date: 23/06/2019 PA Score: A   | Deadline date:           |
| <b>GOOD PRACTICES:</b><br>1. 'Amrao pari' education program for the poor children of the locality. 2. Monthly lottery. 3. Prize bond for new born baby. 4. Transport facility for the workers and staff. 5. Attendance bonus minimum paid 300 BDT.  |                          |
| <b>AREAS OF IMPROVEMENT:</b><br>Based on the satisfactory evidence the auditee respects all the requirements of this performance area. The provided documents and workers interview show that the auditee is following & ensuring minimum wages, on time payment, overtime premium along with actual overtime payment, absent deduction, social benefits etc. which is prescribed by law. The industrial engineering (IE) department assess workers skills during recruitment as a result, all workers are fairly remunerated based on their knowledge, skills, and experience.   |                          |
| <b>Remarks from Auditee:</b>  |                          |
| <b>Performance Area 6 : Decent Working Hours</b>  |                          |
| Full Audit [Audit Id - 155044] Audit Date: 23/06/2019 PA Score: C   | Deadline date:31/05/2020 |
| <b>GOOD PRACTICES:</b><br>Nil   |                          |
| <b>AREAS OF IMPROVEMENT:</b><br>Based on the satisfactory evidence the auditee partially respects the requirements of this performance area. The auditee has developed a policy which describes, the highest working hours is 10 hours/day with 2-hour overtime which is voluntarily and 60 hours/week. The planning department prepared their production plan considering 10 hours/day which violates code requirements. The concern explained that due to order pressure, delayed materials storing in the factory etc., they need to run their production 10 hours/day.  |                          |
| <b>6.2 -</b> The auditee had not effectively assessed and properly planned its workforce capacity in order to meet the expectations of the delivery order or contracts to reduce overtime which may impact both quality & workers health. Generally, the production plan was made considering 10- hours (8 hours of general work and 2 hours overtime) per day where workers were imposed to do overtime. Further, the auditee did not enforce internal procedure in place during an exceptional period for doing extra overtime hours like approval by a worker representative and management, defining how many hours a worker may work daily, weekly and monthly and respects other criteria defined by national law. (As per BSCI Code) |                          |
| <b>Remarks from Auditee:</b>  |                          |
| None  |                          |

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

Full Audit [Audit Id - 155044] Audit Date: 23/06/2019 PA Score: B

Deadline date:31/05/2020

**GOOD PRACTICES:**

1. Ananta blood for life an innovative voluntary blood donation program. 2. Annual eye &amp; dental camp. 3. Vaccination for pox. 4. Relief aid in natural disasters.

**AREAS OF IMPROVEMENT:**

Based on the satisfactory evidence the auditee partially respects the requirements of this performance area. The auditee undergoes regular fire, electrical and structural safety inspections as well as completed all remediation measures required from 3rd party. The overall health and safety condition represents that the auditee has invested substantial resources in improving safety in their factories like a sprinkler system, fire hydrant system, addressable smoke detection system, and proper electrical insulations. The production floors were found neat & clean, well ventilated, as well as aisles were blockage free. The auditee is providing pure drinking water to the workers, first aid boxes were provided in each floor, evacuation plans were posted in each floor and checklist & maintenance reports for electrical equipment are maintained.

- 7.1 -** a) There are 02 disable workers among 10 with an eye problem and both involved with sewing machine operation. They stated that after working few hours of continuous work they sometimes feel pain in eye and headache, but the auditee did not organize any ergonomics training for those workers including longtime standing & seating workers to maximize productivity by reducing workers fatigue and discomfort. (As per BSCI Code)
- b) Flammable ceiling observed in security dormitory and kitchen area. (As per BSCI Code)
- 7.3 -** The auditee conducted a risk assessment for the production process, boiler, generator, compressor, & diseases but a complete & proper risk assessment with mitigation plan yet to be conducted including potential areas related to ergonomics, workers health in regard to more hours of work, environmental issues (hazardous & nonhazardous waste), cargo lift, workplace temperature, hygiene issues regarding toilet, disable workers and machines that are used in the premises. (As per BSCI Code)
- 7.6 -** The auditee is arranging awareness session regarding PPE use, but in the time of floor visit workers of following areas were not using relevant PPE while working; i. All prolonged standing workers were not using a rubber mat underneath their feet. ii. 50% of overlock machine operators were not using a face mask. iii. 70% of snap button machine operators were not using googles. (As per Bangladesh Labor Rules 2015, Rule: 67-1)
- 7.9 -** The auditee did not suit warning sign to point out steam pipe point (hot surface) which located just beside workstation. Further, the electric fans are installed in low height (hand touchable) at the rooftop area, and if any worker raises up his/her hand in subconscious mind then a bodily injury might happen. (As per BSCI Code)
- 7.10 -** The auditee is keeping the records of both minor & major injuries in a register. According to those register, the percentage of snap button injuries are high. Interviewed workers stated that to minimize their time, a helper input button in the machine & the operator operates the machine. In that case, if the operator presses the machine in hurry/subconscious mind then helper got injured. The concerned personnel did not identify such kind of root cause of injuries to improve the occupational health & safety. (As per BSCI Code)
- 7.17 -** 60% of safety guard of snap button machines were found nonfunctional. Further, 60% of sewing & overlock machine operators were working by displaced needle guards & eye guards respectively. (Bangladesh Labor Rules 2015, Rule-67)
- 7.22 -** The auditee neither ensured antibacterial soap nor toilet tissue papers to all the toilets to reduce infectious diseases which can be spread from one person to another by contaminated hands. (As per BSCI Code)
- 7.24 -** As there is no electric fan in the production floor, the auditee provided enough exhaust fans on the production floor. Interviewed workers stated that in the south-east corner, due to a wall and sometimes closed window because of line ironing set up, they felt uncomfortable with temperature. However, the auditee provided stand fans in the finishing section, but in the south-east corner of the sewing sections are yet to be provided. Noted that, as per temperature record registers the average temperature of those areas were 31-degree centigrade. (As per BSCI Code)

**Remarks from Auditee:**

None

|  |                |
|--|----------------|
| <b>Performance Area 8 : No Child Labour</b>  |                |
| Full Audit [Audit Id - 155044] Audit Date: 23/06/2019 PA Score: A  | Deadline date: |
| <b>GOOD PRACTICES:</b><br>Nil  |                |
| <b>AREAS OF IMPROVEMENT:</b><br>Based on the satisfactory evidence the auditee respects all the requirements of this performance area. The auditee has developed and established a complete 'Child Labor' policy and 'No Child Labor' signage posted outside the factory. The medical personnel verified the age of workers prior recruitment and all age proving documents like birth certificate, national id card, educational certificate etc. are well maintained in the personnel file. Currently, there are 10 children stayed in daycare and their age is between 01 to 05 years. Two childcare attendants are recruited to look after those children. |                |
| <b>Remarks from Auditee:</b>   |                |
| <b>Performance Area 9 : Special protection for young workers</b>   |                |
| Full Audit [Audit Id - 155044] Audit Date: 23/06/2019 PA Score: A  | Deadline date: |
| <b>GOOD PRACTICES:</b><br>Nil  |                |
| <b>AREAS OF IMPROVEMENT:</b><br>Based on the satisfactory evidence the auditee respects all the requirements of this performance area. During the whole audit time, no suspected young worker was observed, and none was noticed by the workers. The auditee has developed 'Juvenile Labor' policy and procedure which describes the special protection of the young workers if found to be worked in the premises. Questions 9.2, 9.3, 9.4, 9.5 and 9.6 have been marked as 'Not Applicable' as no young working has been detected during the audit.  |                |
| <b>Remarks from Auditee:</b>   |                |
| <b>Performance Area 10 : No Precarious Employment</b>  |                |
| Full Audit [Audit Id - 155044] Audit Date: 23/06/2019 PA Score: A  | Deadline date: |
| <b>GOOD PRACTICES:</b><br>The auditee encourage disable workers to work in their factory.  |                |
| <b>AREAS OF IMPROVEMENT:</b><br>Based on the satisfactory evidence the auditee respects all the requirements of this performance area. The auditee provided appointment letter, ID card, service book etc. to all the workers upon joining. A copy of all those documents was found in local language and kept in the personnel file. The interviewed workers confirmed that they signed on labor contracts.   |                |
| <b>Remarks from Auditee:</b>   |                |
| <b>Performance Area 11 : No Bonded Labour</b>  |                |
| Full Audit [Audit Id - 155044] Audit Date: 23/06/2019 PA Score: A  | Deadline date: |
| <b>GOOD PRACTICES:</b><br>Nil  |                |
| <b>AREAS OF IMPROVEMENT:</b><br>Based on the satisfactory evidence the auditee respects all the requirements of this performance area. As per company policy and interviewed workers statement, workers are free to resign from their service with payment, there is no restriction on their movement, they can enjoy leave whenever they needed, and they are not forced to stay back once they get authorized leave from the management. 11.2 marked as N/A, though there is no migrant worker in the facility.  |                |
| <b>Remarks from Auditee:</b>   |                |

## Performance Area 12 : Protection of the Environment

Full Audit [Audit Id - 155044] Audit Date: 23/06/2019 PA Score: B

Deadline date:31/05/2020

### **GOOD PRACTICES:**

1. Tree plantation program. 2. Rain water harvesting. 3. Condensate recovery system.

### **AREAS OF IMPROVEMENT:**

Based on the satisfactory evidence the auditee partially respects the requirements of this performance area. The auditee identified the significant impacts and environmental implications associated with its activity. Hazardous/Non-hazardous wastage is kept in wastage shed and wastage 'Jhut' are used in boiler. The authorized vendor collects the factory's wastage once in a month. The auditee started preserving 'rainwater' on the premises. However, a complete & proper wastage management system yet to be developed in the factory.

**12.4 -** The auditee kept all sorts of wastage in the sheds and open space without separating them properly according to its' types & hazards. (As per BSCI Code)

**12.5 -** Gaps have been identified in the awareness of both management & workers on the local water sources and the way to relate to the facility in terms of use, supervision, and preservation. Most of the areas like toilet & drinking water points, water taps were found open. (As per BSCI Code)

### **Remarks from Auditee:**

None

## Performance Area 13 : Ethical Business Behaviour

Full Audit [Audit Id - 155044] Audit Date: 23/06/2019 PA Score: A

Deadline date:

### **GOOD PRACTICES:**

Nil

### **AREAS OF IMPROVEMENT:**

Based on the satisfactory evidence the auditee respects all the requirements of this performance area. The overall observation shows that the auditee provided all necessary documents to the audit team, and they were transparent & supportive in the whole audit process. The record keeping system was found satisfactory. Further, it was observed that the auditee was very keen to maintain good business relations with all their business partners and were committed to fulfilling their expectations. The auditee developed a policy and identified potential risky areas of corruption, which were communicated with all their internal departments by a training program.

### **Remarks from Auditee:**

## Summary



| Audit Type | Date       | Audit Id | PA1 | PA2 | PA3 | PA4 | PA5 | PA6 | PA7 | PA8 | PA9 | PA10 | PA11 | PA12 | PA13 | Overall Rating |
|------------|------------|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|------|------|------|----------------|
| Full Audit | 23/06/2019 | 155044   | D   | D   | A   | A   | A   | C   | B   | A   | A   | A    | A    | B    | A    | C              |

**Producer Photos**



External photo(s) of the production unit(s)  
Accessories store.JPG



Photo of fire safety equipment  
Emergency light.JPG



Photo of non-conformity  
Snap button machine operators without goggle.JPG



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

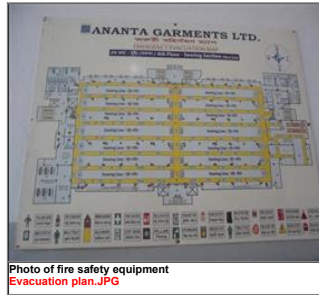


Photo of fire safety equipment  
Evacuation plan.JPG



Photo of non-conformity  
Standing workers without rubber mat.JPG



External photo(s) of the production unit(s)  
Bonded warehouse.JPG



Photo of fire safety equipment  
Fire alarm switch.JPG



Photo of non-conformity  
Steam pipe beside workstation.JPG



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

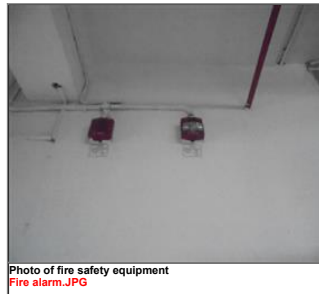


Photo of fire safety equipment  
Fire alarm.JPG



Photo of non-conformity  
Wastage not segregated and kept in open space.JPG



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



Photo of fire safety equipment  
Fire control panel.JPG



Photo of non-conformity  
Waste without segregation.JPG









External photo(s) of the production unit(s)  
**Staircase.JPG**



Photo of fire safety equipment  
**Lightning arrester.JPG**



Photo of the inside of the main production hall  
**Finishing section.JPG**



External photo(s) of the production unit(s)  
**Substation.JPG**



Photo of fire safety equipment  
**PA system.JPG**



Photo of the inside of the main production hall  
**Packing section.JPG**



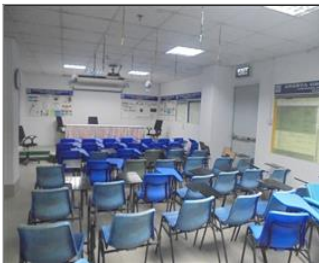
External photo(s) of the production unit(s)  
**Time keeping device.JPG**



Photo of fire safety equipment  
**Sprinkler.JPG**



Photo of the inside of the main production hall  
**Pressing section.JPG**



External photo(s) of the production unit(s)  
**Training room.JPG**



Photo of non-conformity  
**Flammable Ceiling.JPG**



Photo of the inside of the main production hall  
**Quality section.JPG**



External photo(s) of the production unit(s)  
**Vehicle area.JPG**



Photo of non-conformity  
**Low height overhead fan.JPG**



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



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



Photo of non-conformity  
Needle guard displaced.JPG



Photo of the sanitary facilities  
Drinking water point.JPG



Photo first aid facilities  
First aid box.JPG



Photo of non-conformity  
No soap provided in toilet.JPG



Photo of the sanitary facilities  
Hand wash point.JPG



Photo first aid facilities  
Medical room.JPG



Photo of non-conformity  
Overhead flammable ceiling.JPG



Photo of the sanitary facilities  
Toilet.JPG



Photo of fire safety equipment  
Assembly point.JPG



Photo of non-conformity  
Overlock machine operator without PPE.JPG



Photo of the nursery (if applicable)  
Child care room.JPG



Photo of fire safety equipment  
Emergency exit.JPG



Photo of non-conformity  
Safety guard missing in snap button machine.JPG