

---

Auditee :	<b>Ariyan Socks Industries Ltd.</b>
Audit Date From :	<b>04/03/2020</b>
Audit Date To :	<b>04/03/2020</b>
Expiry Date of the Audit :	<b>Please refer to the producer profile in the amfori BSCI platform</b>
Auditing Company :	<b>BureauVeritas</b>
Auditor's Name(s) :	<b>Md Abdullah Al Mamun(Lead)</b>
Auditing Branch (if applicable) :	

---



This is an extract of the on line Audit Report. The complete report is available in the amfori BSCI Platform.  
Access [www.bsciplatform.org](http://www.bsciplatform.org), for entitled users only.

All rights reserved. No part of this publication may be reproduced, translated, stored in a retrieval system, or transmitted, in any form or by any means electronic, mechanical, photocopying, recording or otherwise, be lent, re-sold, hired out or otherwise circulated without the amfori consent.

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
<b>A</b> <b>Very Good</b>	<ul style="list-style-type: none"> <li>Minimum 7 Performance Areas rated A</li> <li>No Performance Areas rated C, D or E</li> </ul> These are three examples: A B B B A A A A A A A B 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.
<b>B</b> <b>Good</b>	<ul style="list-style-type: none"> <li>Maximum 3 Performance Areas rated C</li> <li>No Performance Areas rated D or E</li> </ul> These are three examples: 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.
<b>C</b> <b>Acceptable</b>	<ul style="list-style-type: none"> <li>Maximum 2 Performance Areas rated D</li> <li>No Performance Areas rated E</li> </ul> These are three examples: 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 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.
<b>D</b> <b>Insufficient</b>	<ul style="list-style-type: none"> <li>Maximum 6 Performance Areas rated E</li> </ul> These are three examples: 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	The auditee needs follow up to support its progress. Following the completion of the audit, the auditee develops a Remediation Plan within 60 days.
<b>E</b> <b>Unacceptable</b>	<ul style="list-style-type: none"> <li>Minimum 7 Performance Areas rated E</li> </ul> These are three examples: 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	amfori BSCI Participants shall closely oversee the auditee's progress as the producer may represent a higher risk than other business partners.
<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>Ariyan Socks Industries Ltd.</b>		
DBID number :	<b>391477</b>		
Audit ID :	<b>174457</b>		
Address :	<b>Telihati, Maona,Tengra , Sreepur, Gazipur Gazipur District</b>		
Province :	<b>Dhaka</b>	Country :	<b>Bangladesh</b>
Management Representative :	<b>Md. Sohel Hossain_Sr. Manager(HR &amp; Compliance)</b>		
Contact person:	<b>Md. Sohel Hossain</b>	Sector :	<b>Non-Food</b>
Industry Type :	<b>Textiles, clothing, leather</b>	Product group :	<b>Footwear (including sport shoes)</b>
Product Type :	<b>Socks item</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) :	none	
Audit interferences or contingencies (if applicable) :	none	
Overall rating :	C	
Need of follow-up :	Yes	If YES, by : 04/03/2021

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
A	A	A	A	A	A	D	A	A	A	A	A	A

**Executive summary of audit report**

This was the announced amfori BSCI partial follow up Audit at Ariyan Socks Industries Ltd. The factory has been incorporated in 2015 and started operation at Maona, Tengra, Sreepur, Gazipur, Dhaka, Bangladesh. The facility specialized in the Socks item. The main production process is knitting>Linking>Finishing >Pressing> Packing. The factory running through the year in the same production volume.

In view of facilities, the factory is made-up of three buildings and two sheds. Floor and section wise factory lay out is as follows:

**Building # 1**  
 Ground Floor: Knitting, linking, finishing, packing, Pressing.  
 Mezzanine: Office  
 1st Floor: Under construction

**Building # 2**  
 Ground Floor: Bonded warehouse  
 1st Floor: Dining room  
 2nd Floor: Conference room, child care, medical room, staff dining.

**Building # 3:** Generator, boiler, sub station

**Shed 1:** Compressor

**Shed 2:** Security rest room and Wastage store

**Shed 3:** Security post

Factory did not provide dormitory facility to their workers. Factory is maintaining electronic time keeping system for workers in time & out-time. There was 63 employees (37 males & 26 females) were working in the factory and the youngest worker was above 19 years in the factory, which was complying with the local law. Neither migrant workers nor agency workers found in the facility. Per payroll review and interviews with management and employees, all the workers were paid by monthly wage system. Wages were paid & issued once in a month within first 7 working days of the following pay period. Last payment date was on September 07, 2019 for the month of August 2019. Employees' wages were paid through bank. Factory had provided lowest minimum wage as BD. Tk-8000/- to the workers that met the local law. This factory does orders for the buyers of Europe-40%, Asia-25% and Others-35% and main customers are Ambro-25%, Milana Italian-15%, Mirza International-25% and Others-35% etc. Facility has not done any fire drill from concern authority yet.

The regular working hours of this factory is from 8:00 AM to 5:00 PM with 60 minutes' lunch break starts from 1:00 PM to 2:00 PM from Saturday to Thursday. Knitting section runs with two shifts from 8:00 am to 5:00 pm and 8:00pm to 5:00 am, they get one-day rest in a week by rotation. Only security section runs in three shifts from 6:00 AM to 2:00 PM, 2:00 PM to 10:00PM and 10:00 PM to 06:00AM. The weekend of the factory is Friday. Per payroll and time records review, auditors reviewed sample records of 10 employees from January 2020 (attendance & Payroll) as current month, December 2019 (attendance & Payroll) & October 2019 (attendance & Payroll) as random month. All were permanent workers in the factory. Based on attendance records, maximum working hours were 10 hours in a day and 60 hours in a week.

A total of 10 selected employees from different sections were conducted individually and group interviews. According to the interviews, employees were satisfied with the working conditions in positive way toward regarding the timely payment, non-discrimination, and non-forced labor in the factory. At the end of the audit, a closing meeting was held with factory representative; all of the current findings along with corresponding corrective action plans were disclosed and communicated to facility management and Mr. Md. Sohel Hossain-Sr. Manager, HR & Compliance signed the onsite CAP and agreed to take corrective actions.

Audit Company: Bureau Veritas Consumer Products Service  
 Audit Company APSCA Number: 11600002

**Producer : Ariyan Socks Industries Ltd.**

DBID : 391477 and Audit Id : 174457

Audit Date : 04/03/2020

Audit Type : Follow-up Audit



Lead Auditor Name: Md Abdullah Al Mamun  
APSCA Auditor Registered Number: Md Abdullah Al Mamun – RA 21702387

Note: Facility did not use contractor for so, no license or permit is required. No agency labor contractor used by the factory. Factory recruited all workers directly. No Government waiver is applicable for this auditee, No Collective bargaining agent in the facility.

Remarks: 1. The factory management was convenient in English. So they requested to the auditors to provide the Corrective Action Plan in English.

**Ratings Summary**



<b>Auditee's background information</b>			
Auditee's name :	<b>Ariyan Socks Industries Ltd.</b>	Legal status :	<b>Limited Company</b>
Local Name :	<b>None</b>	Year in which the auditee was founded :	<b>2017</b>
Address :	<b>Telihati, Maona,Tengra , Sreepur, Gazipur</b>	Contact person (please select) :	<b>Md. Sohel Hossain</b>
Province :	<b>Dhaka</b>	Contact's Email :	<b>sohel.ariyansocksbd@gmail.com</b>
City :	<b>Gazipur District</b>	Auditee's official language(s) for written communications :	<b>Bangla</b>
Region :	<b>South Asia</b>	Other relevant languages for the auditee :	<b>English</b>
Country :	<b>Bangladesh</b>	Website of auditee (if applicable) :	<b>www.ariyansocks.com</b>
GPS coordinates :	<b>Latitude-24.14.1 and Longitude-90.27.11</b>	Total turnover (in Euros) :	<b>5940935.00</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>1000,000 pairs per month</b>
Product Group :	<b>Footwear (including sport shoes)</b>	Production cost calculation :	<b>No</b>
If other, please specify :		Lost time injury calculation cost :	<b>No</b>
Product Type :	<b>Socks item</b>		

<b>Auditee's employment structure at the time of the audit</b>		
Total number of workers :	<b>63</b>	Total number of workers in the production unit to be monitored (if applicable) :
	<b>MALE WORKERS</b>	<b>FEMALE WORKERS</b>
Permanent workers	<b>37</b>	<b>26</b>
Temporary workers	<b>0</b>	<b>0</b>
In management positions	<b>8</b>	<b>0</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>37</b>	<b>26</b>
Production based workers	<b>0</b>	<b>0</b>
With shifts at night	<b>0</b>	<b>0</b>
Unionised	<b>0</b>	<b>0</b>
Pregnant	<b>-</b>	<b>0</b>
On maternity leave	<b>-</b>	<b>0</b>

**Finding Report**



<b>Performance Area 1 : Social Management System and Cascade Effect</b>	
1- Followup Audit [Audit Id - 174457] Audit Date: 04/03/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NA	
<b>AREAS OF IMPROVEMENT:</b> Not Assessed as this PA was not in the audit scope. NA	
<b>Remarks from Auditee:</b> Not Rated	
Full Audit [Audit Id - 163177] Audit Date: 23/09/2019 PA Score: B	Deadline date:31/08/2020
<u>Good practices</u> None	
<u>Areas of improvement</u>  Remarks: The auditee partially fulfills the requirement of this PA. The factory had provided the training to mid-level on BSCI code of conduct management had set and publically stated their mission, vision, and objectives. They have organizational chart and the administration operates as per this organogram. They maintain personal file for all workers including a copy appointment letter. However, gaps were identified such as factory management did not develop effective management system to implement amfori BSCI code of conduct & TOI. Auditee needs to develop internal procedures to integrate the BSCI Code to show full commitment towards integrating the amfori BSCI Code into the auditee business culture. Moreover, facility management had formed a policy about short-term investment and long-lasting solutions but did not describe properly about the short-term investment and long-lasting solutions and did not clearly understand the difference between short-term investment and long-lasting solutions; factory management did not assign a senior management to handle grievance management. Moreover, factory management did not calculate cost of production and delivery times realistically. However, factory had assigned this responsibility to an Officer (Welfare) to handle grievance. Management understand English and they were comfortable in English.	
<b>1.1 -</b> 1.1: It was noted that, some non-compliances are identified under different Performance Areas, which is the evidence of gaps identified in the overall management system against BSCI COC requirements. This violates BSCI Performance Area 1.1;	
<u>Remarks from Auditee</u> 1.1: We wil correct as early as possible	

<b>Performance Area 2 : Workers Involvement and Protection</b>	
1- Followup Audit [Audit Id - 174457] Audit Date: 04/03/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NA	
<b>AREAS OF IMPROVEMENT:</b> Not Assesed as this PA was not in the audit scope. NA	
<b>Remarks from Auditee:</b> Not Rated	
Full Audit [Audit Id - 163177] Audit Date: 23/09/2019 PA Score: D	Deadline date:31/08/2020
<u>Good practices</u> None	
<u>Areas of improvement</u>  Remarks: The overall observation shows that the auditee partially fulfils the requirements of the performance area. Factory did not conduct meeting with workers as they did not have any elected worker's participation committee. They also provided occupational health and safety training the workers. However, gaps were identified such as vision, mission and objective has been set by the management for the company but not as per BSCI code of conduct. Workers representatives were not genuinely involved in defining the vision, mission and goal. Moreover, factory written long-term goals does not reflect a step-by-step approach toward sustainable improvements; facility did not provide training to the new comers and directors, managers and workers representatives are not on the content of the amfori BSCI Code. Workers were not aware about amfori BSCI code of conduct; however, training material were available on the amfori BSCI code of conduct; factory had grievance handling policy to address complaint from the different sources but had no process to lodge the grievances properly including how they were investigated and addressed, grievances solving time frame. Moreover, no additional measures were taken to avoid any kind of discrimination to access the grievance mechanism. Furthermore, no grievance mechanism system was in place for the communities and external parties like suppliers, subcontractors, stakeholders etc. Management understand English and they were comfortable in English.	
2.1 -	2.1: Workers participant committee was found formed by selection process instead of democratic election process as per Law. Noted that the workers are not aware of the members of the participant committee. This violates BSCI Performance Area 2.1; This violates with the Bangladesh Labour Law 2006, Section- 205 (6); This violates with the Bangladesh Labour Rules 2015, section-183-188;
2.2 -	2.2: It was noted that factory has set the long -term goal but it is reflecting the step-by-step approach toward sustainable improvement. This violates BSCI Performance Area 2.2;
2.3 -	2.3: It was noted through workers interview and documents review that 09 out of 10 interviewed workers are not well aware about their rights & obligations. Moreover, lack of awareness about entitlement of leave, procedure of taking leave, provision of annual leave encashment was identified among workers. This violates BSCI Performance Area 2.3;
2.4 -	2.4: It was noted that randomly checked the sampled workers and mid-level management of the factory was not well aware about the requirements of BSCI Code of Conduct. This violates amfori BSCI Performance Area 2.4
2.5 -	2.5: It was noted that the facility has mechanism to handle employee's grievance but grievance mechanism of the facility was not including potential conflict of interest define and process of Appeal, etc. This violates BSCI Performance Area 2.5;
<b>Remarks from Auditee</b> 2.1: We wil correct as early as possible, 2.2: We wil correct as early as possible, 2.3: We wil correct as early as possible 2.4: We wil correct as early as possible and 2.5: We wil correct as early as possible.	



<b>Performance Area 3 : The rights of Freedom of Association and Collective Bargaining</b>	
1- Followup Audit [Audit Id - 174457] Audit Date: 04/03/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NA	
<b>AREAS OF IMPROVEMENT:</b> Not Assesed as this PA was not in the audit scope. NA	
<b>Remarks from Auditee:</b> Not Rated	
Full Audit [Audit Id - 163177] Audit Date: 23/09/2019 PA Score: B	Deadline date:31/08/2020
<u>Good practices</u> None	
<u>Areas of improvement</u>  Remarks: The overall observation shows that the auditee partially fulfils the requirements of the performance area. As per document review and workers interview, workers are free to report any grievance by proper channel to the management. The factory had no labor union. Facility management had arranged sufficient number of suggestion boxes. However, gaps were identified such as facility had formed workers' participation committee by selection instead of election. Management understand English and they were comfortable in English. <b>3.1 -</b> 3.1: It was noted through document review and management & worker interview that, the worker participation committee was not formed by a process of free and democratic election amongst the employees as prescribed by the law. Noted that the company's management has formed the participation committee through a process of selection, which is not as per the legal requirement. This violates BSCI Performance Area 3.1; This violates with the Bangladesh Labour Law 2006, Section- 205 (6); This violates with the Bangladesh Labour Rules 2015, section-183-188; <b>3.4 -</b> 3.4-1: It was noted that factory did not arrange participation committee (PC) meeting within 02 months interval as per legal requirement. Through participation committee (PC) meeting minutes review, management and participation committee member interview it was noted that last 03 meetings of participation committee were held on 31 August 2019, 20 May 2019 and 23 December 2018 respectively. This violates BSCI Performance Area 3.4; 3.4-2: It was noted that 7 out of 10 workers were not properly aware of the Workers' Participation Committee (WPC), its representatives, their activities and the function of the Association as per legal requirement. This violates BSCI Performance Area 3.4;	
<u>Remarks from Auditee</u> 3.1: We wil correct as early as possible, 3.4-1: We wil correct as early as possible and 3.4-2: We wil correct as early as possible.	
<b>Performance Area 4 : No Discrimination</b>	
1- Followup Audit [Audit Id - 174457] Audit Date: 04/03/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NA	
<b>AREAS OF IMPROVEMENT:</b> Not Assesed as this PA was not in the audit scope. NA	
<b>Remarks from Auditee:</b> Not Rated	
Full Audit [Audit Id - 163177] Audit Date: 23/09/2019 PA Score: B	Deadline date:31/08/2020
<u>Good practices</u> None	
<u>Areas of improvement</u>  Remarks: The overall observation shows that the auditee partially fulfils the requirements of the performance area. It was noted during the factory tour, employee's interview, management interaction and review of payroll records that the facility pays equal wages to all the employees for same nature of work and job requirements and also promotion & training opportunity is based on the worker's willingness and competency. The facility has a policy and procedures on non-discrimination, which has been communicated to the workers through induction program and different kinds of trainings. However, gaps were identified such as facility did not conduct an internal assessment on the most frequent grounds used for discrimination as well as the most common activities through which discrimination may occur (e.g. hiring process, increment, promotion etc.). Management understand English and they were comfortable in English. <b>4.2 -</b> 4.2: It was noted that the management has grievance mechanism but did not conducted any periodic satisfaction surveys on the harassment, discrimination etc. This violates BSCI Performance Area 4.2;	
<u>Remarks from Auditee</u> 4.2: We wil correct as early as possible	

<b>Performance Area 5 : Fair Remuneration</b>	
1- Followup Audit [Audit Id - 174457] Audit Date: 04/03/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NA	
<b>AREAS OF IMPROVEMENT:</b> Not Assesed as this PA was not in the audit scope. NA	
<b>Remarks from Auditee:</b> Not Rated	
Full Audit [Audit Id - 163177] Audit Date: 23/09/2019 PA Score: A	Deadline date:31/08/2020
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
<p>Remarks: The overall observation shows that the auditee partially fulfils the requirements of the performance area. The factory respected the local law requirements, and the wages related regulations were posted and clearly communicated to all employees. All workers were paid as per minimum requirement of Bangladesh law. All workers' wages were calculated by monthly rate. The minimum wage paid by the factory was BDT 8000 per month according to the wage records. All workers are provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid. Benefits such as social insurance, maternity leaves, and other legally mandatory benefits provided to all workers, Payroll is thoroughly checked by accounts and HR department before disbursement of payment to ensure employees are paid wages consistent with local laws and terms of employment. Leave register found for employees and facility providing annual leave. Wage slip is issued to employees to verify if wages paid are consistent with terms of employment. However, gaps were identified such as the facility had estimated living wage to determine a potential gap between present local minimum wage and living wage to meet a decent living standard but facility did not take any effective action to fill the gaps. Facility calculated living wages is BDT: 10422.94 but the exiting minimum wages provided to the 100% workers. Management understand English and they were comfortable in English.</p> <p><b>5.4 -</b> 5.4: It was noted that the factory management has not yet calculated basic living wage. Besides, facility did not take initiative to achieve living wages though they are ensuring minimum wage as per law. Noted that, living wages of the region is BDT 10422.94 (approx.) and minimum wages for the industry is BDT 8000. This violates BSCI Performance Area 5.4;</p>	
<u>Remarks from Auditee</u>	
5.4: We will correct as early as possible.	
<b>Performance Area 6 : Decent Working Hours</b>	
1- Followup Audit [Audit Id - 174457] Audit Date: 04/03/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NA	
<b>AREAS OF IMPROVEMENT:</b> Not Assesed as this PA was not in the audit scope. NA	
<b>Remarks from Auditee:</b> Not Rated	
Full Audit [Audit Id - 163177] Audit Date: 23/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
<p>Remarks: The overall observation shows that the auditee partially fulfils the requirements of the performance areas as per law. As per provided documents, factory respect local law related to working hours and had clearly communicated working hour policy to all employees through employee handbook. Factory management did not approve working hour from concern authority. Interviewed employees confirmed that the overtime is voluntary and they could choose to perform overtime or not. The total working hour of the factory is 10 hours/ day &amp; 60 hours /week which and all sample workers were getting one day off in seven day's period. Manual time record maintained for tall workers and no fraction time recorded for employees. Workforce capacity planning not properly done. Lost time calculation was not done for injuries. Moreover, management did not communicate workforce capacity planning with the worker representative. Management understand English and they were comfortable in English.</p>	
<u>Remarks from Auditee</u>	

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

1- Followup Audit [Audit Id - 174457] Audit Date: 04/03/2020 PA Score: D

Deadline date:04/05/2020

**GOOD PRACTICES:**

NA

**AREAS OF IMPROVEMENT:**

Remarks: The overall observation shows that the auditee partially fulfils the requirements of the performance area. General working condition is safe, and management is to improve a safer and healthier working environment. Risk assessment had been conducted by the facility. Pre-job training and ongoing refresh training are provided regularly. Drinking water is provided on each floor. HS management checks HS issue regularly. There were at least 2 exits from each floor. Firefighting equipment's been adequate and checks were up-to-date Fire drills conducted in worker's production areas. All electrical equipment was maintained in good condition such as sockets, plugs, switches and main fuse boards in the production site. Factory had obtained the permits from the government and provided training to concerned workers. There were adequate first aid kits in production area and they were well stocked. First aid training had provided. Factory had also provided onsite dispensary and medical room. However, gaps were identified such as some lacking's were observed in the Health and Safety System applicable in the occupational health and safety regulations in the factory activities. Thus, relevant issues were noted in some areas to improve in the Health and Safety section. Factory has a night shift for knitting section but they did not conducted any night fire drill yet. Few workers do not use PPE though management provided the same. Management understand English and they were comfortable in English.  
Management understand English and they were comfortable with English.

- 7.1 - 7.1: It was noted that there are some lacking on Health and Safety System observed applicable in occupational health and safety regulations in factory activities. Those relevant issues are noted in each improvement areas. This violates BSCI Performance Area 7.1; Appropriate Corrective Action not Taken: During this follow up audit, it was noted that there are some still lacking on Health and Safety System observed applicable in occupational health and safety regulations in factory activities. Those relevant issues are noted in each improvement areas. This violates BSCI Performance Area 7.1  
Management understand English and they were comfortable with English.
- 7.4 - 7.4 It was noted that safety committee was not formed as per law,as the concerned committee should be chosen by the elected members of the participation committee, which was not done. This violates BSCI Performance Area 7.4; This violates with The Bangladesh Labour Rules 2015, Rule 81 (7-C); Appropriate Corrective Action Taken: During this follow up audit, it was noted that factory has formed safety committee on 23 December 2019 by the elected members of the participation committee. Note that participation committee were formed by election on 23 November 2019.  
Management understand English and they were comfortable with English.
- 7.5 - 7.5: It was noted that factory management has not noticed to Fire service and Civil Defense authority on fire drill in last one year. However, facility management has conducted fire drill in every two months but they did not notice to Fire service and Civil Defense Department. This violates BSCI Performance Area 7.5; This violates with The Bangladesh Labour Rules 2015, Rule 55 (14); Appropriate Corrective Action not Taken: During this follow up audit, it was noted that factory has send application to Fire service and Civil Defense authority before conducting the fire drill but they did not deposit the money to come a fire inspector for monitor the drill once in a six months. Moreover factory has a night shift for knitting section but they did not conducted night fire drill yet.  
Management understand English and they were comfortable with English.
- 7.10 - 7.10: It was noted that factory has recorded but do not have proper analysis (including lost time injury calculation) the occupational accidents/injury as per BSCI requirement including actual cause of the occurrences. Moreover, loss time of injury was not included in the production planning. This violates BSCI Performance Area 7.10; Appropriate Corrective Action taken: During this follow up audit, it was noted that factory has started to maintain injury analysis along with lost time injury calculation.  
Management understand English and they were comfortable with English.
- 7.11 - 7.11: It was noted that no generator license/certificate found for 1 of 1 diesel generator (250 KW). Factory building plan was approved from Local Chairman who is not the concern authority to approve a building plan. Moreover, no competency certificate for boiler operator. This violates BSCI Performance Area 7.11; This violates with the Bangladesh Energy Regulatory Commission Act, 2003 chapter-6, section 27 (1), This violates with The Labour Rules, 2015, Chapter-19, Section-353 (5), Appropriate Corrective Action not Taken: During this follow up audit, it was noted that factory still not take 1 of 1 diesel generator (250 KW) license/certificate. Factory building plan was approved from Local Chairman who is not the concern authority to approve a building plan. However boiler operator has competency certificate. This violates with the Bangladesh Energy Regulatory Commission Act, 2003 chapter-6, section 27 (1), This violates with The Labour Rules, 2015, Chapter-19, Section-353 (5),  
Management understand English and they were comfortable with English.
- 7.13 - 7.13 During this follow up audit, it was noted that two out of two electrician's license was found expired. However both of them has applied for renewal. This violates BSCI Performance Area 7.13  
Management understand English and they were comfortable with English.
- 7.14 - 7.14: It was noted that no emergency light installed at 1 of 1 staircase from ground floor to 2nd floor of building # 2. Water pressure found low with 2 of 2 tested fire hose pipe of the factory. No fire alarm installed at 2nd & 3rd floor of building # 2. No fire hose pipe installed at 2nd & 3rd floor of building # 2. This violates BSCI Performance Area 7.14; This violates The Bangladesh Labor Law 2006 , Chapter - 5, Section - 57, This violates The Bangladesh Rules 2015 , Chapter - 6, Section - 55, This violates The Bangladesh Labor Law 2006, Chapter - 6, Section - 62, Appropriate Corrective Action Taken: During this follow up audit, it was noted that facility has installed emergency light at 1 of 1 staircase from ground floor to 2nd floor of building # 2. Water pressure found sufficient with 2 of 2 tested fire hose pipe of the factory. Moreover facility has installed fire alarm at 2nd & 3rd floor of building # 2. Also factoy has installed fire hose pipe at 2nd & 3rd floor of building # 2. New Findings 7.14: During this follow up audit, it was noted that few areas of the factory were not included in the factory fire license. These areas are Building-1: Mezzanine; Building-2 (2nd Floor): Conference room, child care, medical room, staff dining, kitchen. Building # 3: Generator, boiler, sub-station; Shed-1: Compressor; Shed 2: Security rest room and Wastage store This violates BSCI Performance Area 7.14; This violates the Fire Safety and Prevention Act 2003  
Management understand English and they were comfortable with English.
- 7.15 - 7.15-1: It was noted that 1 of 1 door at child care room, 1 of 1 door of medical room on the 2nd floor and 1 of 1 door of dining room on the 1st floor of building # 2 was opening inward. This violates BSCI Performance Area 7.15. Appropriate Corrective Action Taken: During this follow up audit, it was noted that facility has installed outward opening door 1 of 1 door at child care room, 1 of 1 door of medical room on the 2nd floor and 1 of 1 door of dining room on the 1st floor of building # 2 7.15-2: It was noted that no aisles mark indicated at dining room on the 1st floor of building # 2, packing section on the ground floor of building # 1. This violates BSCI Performance Area 7.15. Appropriate Corrective Action Taken: During this follow up audit, it was noted that factory has given aisles mark at dining room on the 1st floor of building # 2 and packing section on the ground floor of building # 1  
Management understand English and they were comfortable with English.
- 7.16 - 7.16: It was noted that no evacuation plan posted at ground floor of building # 2. This violates BSCI Performance Area 7.16; Appropriate Corrective Action Taken: During this follow up audit, it was noted that factory has posted evacuation plan at ground floor of building # 2  
Management understand English and they were comfortable with English.

**Remarks from Auditee:**

7.1: We will correct as early as possible, 7.5: We will correct as early as possible, 7.11: We will correct as early as possible, 7.13: We will correct as early as possible, 7.15: We will correct as early as possible	
Full Audit [Audit Id - 163177] Audit Date: 23/09/2019 PA Score: E	Deadline date:31/08/2020
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
<p>Remarks: The overall observation shows that the auditee partially fulfils the requirements of the performance area. General working condition is safe, and management is to improve a safer and healthier working environment. Risk assessment had been conducted by the facility. Pre-job training and ongoing refresh training are provided regularly. Drinking water is provided on each floor. HS management checks HS issue regularly. There were at least 2 exits from each floor. Firefighting equipment's been adequate and checks were up-to-date Fire drills conducted in worker's production areas. All electrical equipment was maintained in good condition such as sockets, plugs, switches and main fuse boards in the production site. Factory had obtained the permits from the government and provided training to concerned workers. There were adequate first aid kits in production area and they were well stocked. First aid training had provided. Factory had also provided onsite dispensary and medical room. However, gaps were identified such as some lacking's were observed in the Health and Safety System applicable in the occupational health and safety regulations in the factory activities. Thus, relevant issues were noted in some areas to improve in the Health and Safety section. Facility management did not provide regular training for workers and mid management on how to avoid accidents and minimize their impacts and also regularly analyses the accident records to gather lessons learned and adjust the protocols accordingly. In addition, the facility management did not genuinely involve the workers' representatives and workers in the drafting &amp; enforcement of the internal procedure on occupational health &amp; safety; no regular monitoring and testing for the workers who area affected by transmittable and non-transmittable diseases; facility did not form health and safety committee as per law; facility management had provided training awareness regarding OHS to the workers. But did not include, how workers need to react in case of injury to themselves and/or fellow workers and have the information on the hazards and risks associated with their work and are supervised when necessary; facility have an accident and emergency procedures based on the information gathered through the OHS risk-assessment. Moreover, management, particularly supervisors are not trained on how to ensure workers follow the accident and emergency procedures. workers did not receive any training on how to prevent and respond to the most frequent accidents or injuries that happen in their area of work. facility did not have an accident and emergency procedures based on the information gathered through the OHS risk-assessment. Moreover, management, particularly supervisors are trained on how to ensure workers follow the accident and emergency procedures. factory had trained firefighting team, rescue team &amp; first aid team. Moreover, worker have dining facility in the factory. Few workers do not use PPE though management provided the same.</p> <p>Management understand English and they were comfortable in English.</p>	
7.1 -	7.1: It was noted that there are some lacking on Health and Safety System observed applicable in occupational health and safety regulations in factory activities. Those relevant issues are noted in each improvement areas. This violates BSCI Performance Area 7.1;
7.4 -	7.4: It was noted that safety committee was not formed as per law,as the concerned committee should be chosen by the elected members of the participation committee, which was not done. This violates BSCI Performance Area 7.4; This violates with The Bangladesh Labour Rules 2015, Rule 81 (7-C);
7.5 -	7.5: It was noted that factory management has not noticed to Fire service and Civil Defense authority on fire drill in last one year. However, facility management has conducted fire drill in every two months but they did not notice to Fire service and Civil Defense Department. This violates BSCI Performance Area 7.5; This violates with The Bangladesh Labour Rules 2015, Rule 55 (14);
7.10 -	7.10: It was noted that factory has recorded but do not have proper analysis (including lost time injury calculation) the occupational accidents/injury as per BSCI requirement including actual cause of the occurrences. Moreover, loss time of injury was not included in the production planning. This violates BSCI Performance Area 7.10;
7.11 -	7.11: It was noted that no generator license/certificate found for 1 of 1 diesel generator (250 KW). Factory building plan was approved from Local Chairman who is not the concern authority to approve a building plan. Moreover, no competency certificate for boiler operator. This violates BSCI Performance Area 7.11; This violates with the Bangladesh Energy Regulatory Commission Act, 2003 chapter-6, section 27 (1), This violates with The Labour Rules, 2015, Chapter-19, Section-353 (5),
7.14 -	7.14: It was noted that no emergency light installed at 1 of 1 staircase from ground floor to 2nd floor of building # 2. Water pressure found low with 2 of 2 tested fire hose pipe of the factory. No fire alarm installed at 2nd & 3rd floor of building # 2. No fire hose pipe installed at 2nd & 3rd floor of building # 2. This violates BSCI Performance Area 7.14; This violates The Bangladesh Labor Law 2006 , Chapter - 5, Section – 57, This violates The Bangladesh Rules 2015 , Chapter - 6, Section – 55, This violates The Bangladesh Labor Law 2006, Chapter- 6, Section – 62,
7.15 -	7.15-1: It was noted that 1 of 1 door at child care room, 1 of 1 door of medical room on the 2nd floor and 1 of 1 door of dining room on the 1st floor of building # 2 was opening inward. This violates BSCI Performance Area 7.15; 7.15-2: It was noted that no aisles mark indicated at dining room on the 1st floor of building # 2, packing section on the ground floor of building # 1. This violates BSCI Performance Area 7.15;
7.16 -	7.16: It was noted that no evacuation plan posted at ground floor of building # 2. This violates BSCI Performance Area 7.16;
<u>Remarks from Auditee</u>	
7.1: We will correct as early as possible. 7.4: We will correct as early as possible. 7.5: We will correct as early as possible. 7.8: We will correct as early as possible. 7.11: We will correct as early as possible. 7.14: We will correct as early as possible. 7.15-1: We will correct as early as possible. 7.15-2: We will correct as early as possible. 7.16: We will correct as early as possible.	

<b>Performance Area 8 : No Child Labour</b>	
1- Followup Audit [Audit Id - 174457] Audit Date: 04/03/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NA	
<b>AREAS OF IMPROVEMENT:</b> Not Assesed as this PA was not in the audit scope. NA	
<b>Remarks from Auditee:</b> Not Rated	
Full Audit [Audit Id - 163177] Audit Date: 23/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
<p>Remark: During the facility tour, the assessment team observed that the facility workforce consists of mature workforce i.e. above 18 years of age. Factory had maintained the age proof documents for all the employees working in the facility. The facility has "No Child Labor Policy" and the same was observed to be posted outside the facility. The assessment team reviewed randomly selected personal files of the workers and observed that all the files had been documented with valid age proof documents in form of Birth registration certificate, national ID card and school certificate. The interviewed employees were found to be aware of the requirement. The facility has a written policy and procedure in regard to child labor which states that the minimum age for recruitment for all levels of employees is 18 years and above. Furthermore, the factory has also maintained the child labor remediation policy. Management understand English and they were comfortable in English.</p>	
<u>Remarks from Auditee</u>	
<b>Performance Area 9 : Special protection for young workers</b>	
1- Followup Audit [Audit Id - 174457] Audit Date: 04/03/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NA	
<b>AREAS OF IMPROVEMENT:</b> Not Assesed as this PA was not in the audit scope. NA	
<b>Remarks from Auditee:</b> Not Rated	
Full Audit [Audit Id - 163177] Audit Date: 23/09/2019 PA Score: A	Deadline date:
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
<p>Remarks: The overall observation shows that the auditee fulfils the requirements of the performance area. Through management interview, worker representative interview and employee interview, all knew the child labor forbidden policy and confirmed no child labor in the factory. Facility has developed training program with scope of labor laws, prohibition of child labor and company policies related to hiring of new applicant to responsible persons for skill enhancement. No child labor was noted in the factory. There is formal procedure for checking ages of workers at application stage, and age verification proof had maintained in workers personnel file. HR department obtains true copy of age verification document such as national identity card, birth certificate, academic educational certificate is required from new applicants at the time of hiring and that document after verification is kept with employee application for future proceedings and if obtained document is fake or doesn't meet the criteria of minimum work age that the record is sent to the rejection file. Completed Application Form containing date of birth of applicant is signed by employee and HR personnel and is kept in personnel files. No deviation was found in the age stated by employees in our selected samples from records Checks from all workers that the youngest worker present was age above 19 years. Management understand English and they were comfortable in English.</p>	
<u>Remarks from Auditee</u>	

<b>Performance Area 10 : No Precarious Employment</b>	
1- Followup Audit [Audit Id - 174457] Audit Date: 04/03/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NA	
<b>AREAS OF IMPROVEMENT:</b> Not Assessed as this PA was not in the audit scope. NA	
<b>Remarks from Auditee:</b> Not Rated	
Full Audit [Audit Id - 163177] Audit Date: 23/09/2019 PA Score: A	Deadline date:
<u>Good practices</u> None	
<u>Areas of improvement</u>  Remarks: The overall observation shows that the auditee fulfils the requirements of the performance area. Factory does have a comprehensive recruitment policy. A detailed understandable contract/ job letter with all legal terms and conditions was provided to workers before joining. Employment contracts were signed by every employees and management as the condition of employment. One copy of employment contract was kept in personnel file and one was issued to employees as confirmed during review of personnel files and employees' interview. Management understand English and they were comfortable in English.	
<u>Remarks from Auditee</u>	
<b>Performance Area 11 : No Bonded Labour</b>	
1- Followup Audit [Audit Id - 174457] Audit Date: 04/03/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NA	
<b>AREAS OF IMPROVEMENT:</b> Not Assessed as this PA was not in the audit scope. NA	
<b>Remarks from Auditee:</b> Not Rated	
Full Audit [Audit Id - 163177] Audit Date: 23/09/2019 PA Score: A	Deadline date:
<u>Good practices</u> None	
<u>Areas of improvement</u>  Remarks: The overall observation shows that the auditee fulfils the requirements of the performance area. Factory policy forbids forced labour; there was no forced, bonded or involuntary labor. No worker is required to lodge deposits or ID cards in the factory. There are no deposits of money, ID card, original personal legal documents on commencement of employment. Facility allows employees to go out of the working areas and even outside the company premises outside of their respective working hours. In case, an employee who needs to leave the work area during working hours for justifiable cause may do so with the appropriate permission from the authorized officers of the Department. No sign of fear or exaggerated obedience displayed by employees during site visit. Facility limits the duties and responsibilities of the security guards assigned to the facility shall be limited to normal security matters such as the protection of the company property and personnel security Facility employees' salary and benefits are paid directly to them and no portion of salary is withheld as a form of guarantee. Work performed is on the basis of recognized employment relationship established through national law and practice for regular workers. It was noted that the factory had signed the labour contracts with all sampled workers, which was confirmed through the employee interview. Management understand English and they were comfortable in English.	
<u>Remarks from Auditee</u>	



<b>Performance Area 12 : Protection of the Environment</b>	
1- Followup Audit [Audit Id - 174457] Audit Date: 04/03/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NA	
<b>AREAS OF IMPROVEMENT:</b> Not Assesed as this PA was not in the audit scope. NA	
<b>Remarks from Auditee:</b> Not Rated	
Full Audit [Audit Id - 163177] Audit Date: 23/09/2019 PA Score: A	Deadline date:31/08/2020
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
<p>Remarks: The overall observation shows that the auditee partially fulfils the requirements of the performance area. Auditee had established documented management system to deal with the environmental management. However, gaps were identified such as there is no awareness training conducted on water wastage. factory did not have proper identification of water springs, rivers, lakes and other water ecosystems in the area. Moreover, no documented risk assessments that justify management decisions on water use. Management understand English and they were comfortable in English.</p> <p><b>12.5 - 12.5-1:</b> It was noted that no risk assessment conducted on water waste reduction. This violates BSCI Performance Area 12.5; <b>12.5-2:</b> It was noted that no awareness training conducted to the employees for water waste reduction. This violates BSCI Performance Area 12.5; <b>12.5-3:</b> It was noted that facility did not have any procedure to prevent water loss and have a system to preserve natural water resource (recycling practices, preserve rainwater etc.) to ensure better environment in the premises. However, facility management is plan to do so. This violates BSCI Performance Area 12.5;</p>	
<u>Remarks from Auditee</u>	
12.5-1: We wil correct as early as possible, 12.5-2: We wil correct as early as possible and 12.5-3: We wil correct as early as possible	
<b>Performance Area 13 : Ethical Business Behaviour</b>	
1- Followup Audit [Audit Id - 174457] Audit Date: 04/03/2020 PA Score: A	Deadline date:
<b>GOOD PRACTICES:</b> NA	
<b>AREAS OF IMPROVEMENT:</b> Not Assesed as this PA was not in the audit scope. NA	
<b>Remarks from Auditee:</b> Not Rated	
Full Audit [Audit Id - 163177] Audit Date: 23/09/2019 PA Score: A	Deadline date:31/08/2020
<u>Good practices</u>	
None	
<u>Areas of improvement</u>	
<p>Remark: The overall observation shows that the auditee partially fulfils the requirements of the performance area. The company established a business ethics policy. The company manager was the designated person responsible for implementing standards concerning Business Ethics, and that site practices were conducted without any corruption and/or bribery. However, gap was identified such as the facility did not identify possible area of corruption in the supply chain or business activities. Moreover, factory did not ensure any "reward" on ethical behavior and integrity among its manager and workers. Management understand English and they were comfortable in English.</p> <p><b>13.1 - 13.1-1:</b> It was noted that facility management has not identified the potential areas of corruption and possible solution of mitigate anti-corruption issue. This violates BSCI Performance Area 13.1; <b>13.1-2:</b> It was noted that factory has no reward system to maintain ethical behavior. Moreover, auditee has started providing training on bribery and corruption to all the workers and employees related to ethical behavior. This violates BSCI Performance Area 13.1;</p>	
<u>Remarks from Auditee</u>	
13.1-1: We wil correct as early as possible and 13.1-2: We wil correct as early as possible.	

**Summary**



Audit Type	Date	Audit Id	PA1	PA2	PA3	PA4	PA5	PA6	PA7	PA8	PA9	PA10	PA11	PA12	PA13	Overall Rating
Follow-up Audit	04/03/2020	174457	A	A	A	A	A	A	D	A	A	A	A	A	A	C
Full Audit	23/09/2019	163177	B	D	B	B	A	A	E	A	A	A	A	A	A	D



**Producer Photos**



External photo(s) of the production unit(s)  
1st floor under construction.JPG



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



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



External photo(s) of the production unit(s)  
BSCI COC posted.JPG



External photo(s) of the production unit(s)  
Child Care room.JPG



External photo(s) of the production unit(s)  
Complain box.JPG



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



External photo(s) of the production unit(s)  
Drinking water.JPG



External photo(s) of the production unit(s)  
Electrical Distribution board.JPG



External photo(s) of the production unit(s)  
Emergency light.JPG



External photo(s) of the production unit(s)  
Evacuation plan.JPG



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



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



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



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



External photo(s) of the production unit(s)  
Fire equipment.JPG



External photo(s) of the production unit(s)  
Fire extinguisher.JPG



External photo(s) of the production unit(s)  
Fire rated door.JPG



External photo(s) of the production unit(s)  
First Aid box.JPG



External photo(s) of the production unit(s)  
Fog light.JPG



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



External photo(s) of the production unit(s)  
Hose pipe.JPG



External photo(s) of the production unit(s)  
Id card.JPG



External photo(s) of the production unit(s)  
Knitting section.JPG



External photo(s) of the production unit(s)  
NC Corrected Aisles mark at Dining area.JPG



External photo(s) of the production unit(s)  
NC Corrected Hose pipe with required pressure.JPG



External photo(s) of the production unit(s)  
No smoking posted.JPG



External photo(s) of the production unit(s)  
Notice Board.JPG



External photo(s) of the production unit(s)  
PA system.JPG



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



External photo(s) of the production unit(s)  
Risk assessment on transmitted and transmitted disease  
Medium.JPG



External photo(s) of the production unit(s)  
Smoke detector.JPG



External photo(s) of the production unit(s)  
Staff dining.JPG



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



External photo(s) of the production unit(s)  
Visual fire siren.JPG