

Monitoring result for Grameen Fabrics & Fashions Ltd.(Composite Knit Unit) on site Grameen Fabrics & Fashions Ltd. (Composite Knit Unit)

Monitoring

Monitored Party	: Grameen Fabrics & Fashions Ltd. (Composite Knit Unit)	amfori ID	: 050-001356-000
Site	: Grameen Fabrics & Fashions Ltd. (Composite Knit Unit)	Site amfori ID	: 050-001356-002
Address	: Grameen Industrial Park, Sarabo, Kashimpur, Joydevpur, Gazipur Sadar, 1346, Gazipur, Dhaka, Bangladesh	Monitoring Activity	: amfori Social Audit - Manufacturing
		Monitoring Type	: Full Monitoring
		Submission Date	: 31/07/2021
		Expiration Date	: 31/07/2023

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Overall rating



Section rating

PA1: Social Management System	C
PA 2: Workers Involvement and Protection	B
PA 3: The Rights of Freedom of Association and Collective Bargaining	A
PA 4: No Discrimination	A
PA 5: Fair Remuneration	A
PA 6: Decent Working Hours	A
PA 7: Occupational Health and Safety	A
PA 8: No Child Labour	A
PA 9: Special Protection for Young Workers	A
PA 10: No Precarious Employment	A
PA 11: No Bonded Labour	A
PA 12: Protection of the Environment	B

General description

Grameen Fabrics & Fashions Ltd. (Composite Knit Unit) is a 100% export-oriented knit garments manufacturing company which is located at Grameen Industrial Park, Sarabo, Kashimpur, Joydevpur, Gazipur Sadar, Gazipur, Bangladesh. Production capacity of the audited facility is for Garments - 689,000 Pieces, Knitting - 150 Ton per month. Production area is occupied about 129235 square feet, land area is about 72779 square feet and storage area is about 16400 square feet. The facility was established in 2008 (as per incorporation certificate) and started operation in same year.

Main production department of the audited facility are Knitting, Dyeing Finishing, Cutting, Sewing, Finishing, Twill tape and Label printing.

There are 04 factories inside the premises under same owner but different management named Grameen Fabrics & Fashions Ltd. (Composite Knit Unit) (audited factory), Grameen Distribution Ltd., Grameen Plastics Ltd., and Grameen Danone Foods Ltd. Auditor has covered only Grameen Fabrics & Fashions Ltd. (Composite Knit Unit) in this audit. The factory consists of 05 buildings and 12 sheds and descriptions are as below:

Building - 01 (04 storied building):

Ground floor: Cutting section, Stenter machine section, CAD & bonded warehouse.

Mezzanine floor: Sample section, fabric store and medical room.

1st floor: Finishing section, finished goods area, inspection room, size set area spot removing room and office.

2nd floor: Sewing section, Idle machine room, piping section, Input area, heat seal area & office.

3rd floor: Sewing section, Input room, mechanic room, idle machine area, collar section & general store.

Roof top: 100% area was vacant.

Building - 02 (02 storied building):

Ground floor: Power Generator & thermo boiler room.

1st floor: Compressor room.

Roof : vacant.

Building - 3: (single storied)

Ground floor: boiler area.

Building - 4: (single storied)

Ground floor: Substation room.

Building - 5: (single storied)

Ground floor: Fire control room.

Building - 6: Fire pump room.

Shed - 01:

Ground floor: Child care room, Knitting section, drawstring section, Flat knitting (collar section), Grey store, label & twill tape section & office.

Mezzanine floor: Office, Napkin section & store (another project under same owner but under different management and production was not running during audit day)

Shed - 02: Staff dining.

Shed -03: Kitchen for staff dining

Shed - 04: Workers dining, canteen & Cutting input area.

Shed - 05: Accessories store.

Shed - 06: Fire pump room.

Shed - 07: Security post and waiting room

Shed - 08: Waste storage area

Shed - 09: Distribution (Another project under same owner but different management)

Shed - 10: Cold storage (Another project under same owner and under different management)

Shed - 11: Ansar camp new (Government security agency for another sister concern).

Shed - 12: Ansar camp old (Government security agency for another sister concern).

The facility has total 70 first aiders and 20 first aid boxes, 218 fire fighters, 14 hose pipes, 268 ABC fire extinguisher, 80 Co2 fire extinguishers, 04 foam type fire extinguisher, 26 fire alarm, 192 smoke detectors, 37 emergency lights, 237 fog lights and 03 evacuation exits.

There are total 1174 (including 54 contractual employee from security guard and cleaner) employees in the facility with 553 females and 621 male employees. Facility has one general working shift from 8:30 am to 5:30 pm including one-hour lunch break and facility has 03 shifts for Knitting, Dyeing finishing, Security guards, maintenance and electricians (which starts from 06:00 am to 02:00 pm; 2:00 pm to 10:00 pm and 10:00 pm to 06:00 am). Label print section has one shift. The facility maintains electronic time record system (face detection). Generally, Friday is their weekly holiday, but shifting section has rotation system. Employees receive wages by monthly basis in local currency as per law. Facility provides worker's salary by bank payment around 95% and cash 5%.

Audit Process: The audit was conducted by four (04) auditors on 15th July 2021. An opening meeting was held on day of assessment where Mr. Md. Mahbulul Islam Khan -General Manager , G.M. Tariqul Islam - Manager (Admin and Store), M H Faizul - Deputy Manager- Compliance, Mr. Syed Monjur Morshed- AGM- Merchandising, Md. Sahidul Islam- Manager (HR & Payroll), Md. Shah Amanullah - Senior Manager (Supply Chain), Mr. Masud Rana- Head of Production, Ms. Momotaz Khatun- Welfare Officer, Mr. A.B. Siddique- Sr. Officer- HR and Md. Bipul Hosen - Vice president (Participation committee) was present.

During opening meeting auditors explained about the audit scope and process and a detail description on amfori BSCI requirement and approach. Immediate after the opening meeting a site visit was conducted with the factory management. A general document checklist was provided to the management and supplied documents were reviewed.

The auditor verified randomly last one-year documents (July 2020 to June 2021) and documents were found available in the factory.

Closing meeting: At the end of the assessment a closing meeting was held to discuss all the areas of improvement in the findings report and positive notes with G.M. Tariqul Islam - Manager (Admin and Store) and with his team. Facility management agreed on all findings and signed on findings report. Auditor informed the management regarding the submission of remediation plan to the amfori BSCI participant through amfori BSCI platform against the findings raised on the audit within 60 days.

Overall Findings: Non-compliance were noted in the area of "Social Management System and Cascade Effect", Workers Involvement and Protection", "Fair Remuneration", "Occupational Health and Safety", "Protection of the Environment" and "Ethical Business Behavior". Details of the findings are listed in respective performance areas. For other areas, no finding was noted.

Comments from auditor about COVID19:

Following measures were taken by the facility during operation in every day to protect their employees from COVID-19:

- a) Facility established disinfection chamber for employees and Checking temperature for each employee while entering in the factory.
- b) Facility Arranged and ensured hand washing facility for each employee at each entrance of production floor when entering in the factory.
- c) Facility has posted awareness posters in prominent places.
- d) Facility ensured face mask for each employee.
- e) Maintaining the same arrangement for visitors.
- g) Facility has a reporting system to medical persons or management if suspected cases observed.
- e) Facility disinfects by spray gun when entering any car and visitor's vehicle. #COVID19

Site Details

Site : **Grameen Fabrics & Fashions Ltd.**
(Composite Knit Unit)

Site amfori ID : **050-001356-002**

GICS Classification

Sector : **Consumer Discretionary**
Industry Group : **Consumer Durables & Apparel**

Industry : **Textiles, Apparel & Luxury Goods**
Sub Industry : **Apparel, Accessories & Luxury Goods**

GS1 Classifications

N.A.

Product Process Classifications

N.A.

Metrics

Key Metrics

Total workforce	1031 Workers
Legal minimum wage in local currency	8000 Monthly
Lowest wage paid for regular work at the site	8000 Monthly
Calculated living wage in local currency	17926 Monthly
Total sample	33 Workers

Other Metrics

Male workers	560 Workers
Female workers	471 Workers
Permanent workers - Male	592 Workers
Permanent workers - Female	528 Workers
Temporary workers - Male	29 Workers
Temporary workers - Female	25 Workers
Seasonal workers - Male	0 Workers
Seasonal workers - Female	0 Workers
Management - Male	35 Workers
Management - Female	5 Workers
Apprentices - Male	0 Workers
Apprentices - Female	0 Workers
Workers on probation - Male	60 Workers
Workers on probation - Female	40 Workers
Workers with night shift - Male	20 Workers
Workers with night shift - Female	0 Workers
Workers with disabilities - Male	0 Workers
Workers with disabilities - Female	0 Workers
Domestic migrant workers - Male	0 Workers
Domestic migrant workers - Female	0 Workers
Foreign migrant workers - Male	0 Workers
Foreign migrant workers - Female	0 Workers
Workers hired directly - Male	592 Workers
Workers hired directly - Female	528 Workers
Workers hired indirectly - Male	29 Workers
Workers hired indirectly - Female	25 Workers
Unionised workers - Male	0 Workers
Unionised workers - Female	0 Workers
Workers under CBA - Male	0 Workers
Workers under CBA - Female	0 Workers
Pregnant workers	7 Workers
Workers on parental leave - Male	0 Workers
Workers on parental leave - Female	9 Workers
Sample - Male	18 Workers
Sample - Female	15 Workers

Findings

PA1: Social Management System

The facility management is in process of the implement of amfori BSCI code of conduct into auditee's day to day business culture as the factory did not calculated living wage properly, did not develop grievance mechanism system for business partners, awareness on training about amfori BSCI COC was not found from workers and workers representatives, gaps found in occupational health and safety, protection of the environment and ethical business behavior performance areas. [As per amfori BSCI COC check point 1.1]

Facility has supplier selection policy and selected significant suppliers based on supplier selection policy however facility did not develop grievance mechanism system for business partners yet. [As per amfori BSCI COC check point no 1.3]

PA 2: Workers Involvement and Protection

Though the facility management has provided training to the staff and workers in terms of amfori BSCI code of conduct, but proper awareness was not found from workers and workers' representatives on amfori BSCI COC. [As per amfori BSCI COC check point no. 2.4]

Facility management did not include "appeal process in the case of dissatisfaction" and did not define "potential conflict of interest" in facility's grievance mechanism policy. In addition, facility did not develop grievance mechanism policy for community and business partners. [As per amfori BSCI COC check point no 2.5]

PA 5: Fair Remuneration

The facility did not calculated the living standard properly in the region calculating their living wage to determine a potential gap between present local minimum wage and living wage. [As per amfori BSCI COC check point no. 5.4]

PA 7: Occupational Health and Safety

Internal procedure of employee's occupational health and safety was not fully involving worker's representatives and workers in the drafting and enforcement in the factory. [As per amfori BSCI COC check point 7.1]

a. Good amount of yarn attached to the exhaust fan in the production floor may cause an electrical hazard which is not covered in existing risk assessment. b. Facility did not assess the risk of warehouse, Idle machine room, drawstring section, Flat knitting (collar section), label section, twill tape section and Fire pump room. So, workers of the mention area were not aware about their workplace related risk. c. Health check-up (medical examination) was not performed for the workers working in the facility. (Stanter machine operator and cook) [As per amfori BSCI COC check point 7.3 and Bangladesh Labor Rules 2015, Schedule-4, Matters relating to safety committee (2)]

a. No MSDS and secondary containment were provided for thinner jars located at boiler room of Building 2. b. No MSDS, labeling and secondary containment were provided for compressor oil jars located at compressor room of Building 2. [As per amfori BSCI COC check point 7.7 and Bangladesh Labor Rules 2015, Rule 68 (10)]

a. Factory license was expired from 1st July 2021. However, facility has applied to the concerned authority on 27 June, 2021. b. Trade License of the factory was found expired from July 01, 2021 based on documents review and management interview. c. Facility did not have building approval plan for building 3, Building 4, Building 6, Shed 4 and Shed 5 which is used as boiler area, Substation room, Fire pump room, Workers dining, canteen, Cutting input area and Accessories store. d. Childcare, accessories store, waste area were not mentioned in current floor layout plan. e. Facility did not have power generator license from the concerned authority. Facility has three generators with capacity of (800 KVA, 500 KVA & 312 KVA) 1.289 MW. (As per amfori BSCI COC check point 7.11 and Bangladesh Labor Rules 2015, Rule 355(1, 2 & 3), City Corporation Model Tax Schedule 2016, Section 10, Building Construction Act 1952, Section 3(1), Bangladesh Labor Rules 2015, Rule 94(1) & 353(1) and Energy Regulatory Commission Act 2003, Section-27(a))

Approx. 15% sewing machine's needle guards were found in inappropriate position at sewing section of building 1. (As per BSCI COC check point 7.17 and Bangladesh Labour Law 2006, Section 63(1) D (3)).

PA 12: Protection of the Environment

The environmental clearance certificate of the factory has expired on 09th February 2021. Noted that factory has applied and deposited money on 2nd February 2021 to the concern authority for renewal of the environmental clearance certificate but not received yet. [As per amfori BSCI COC check point no 12.3 and Bangladesh Environment Conservation (Amendment) Act, 2010, section 12 (5):]

Facility did not have any effective mechanism to preserve natural water resource (recycling practices, preserve rainwater etc.) to ensure better environment in the premises. [As per amfori BSCI COC check point no 12.5]

PA 13: Ethical Business Behaviour

A. The factory did not identify the potential areas of corruption and possible solution of mitigate corruption related issues. B): The facility has not provided any training to the persons related to ethical behavior. [As per amfori BSCI COC check point no 13.1]