

Monitoring result for MURAD APPARELS LTD. on site Murad Apparels Ltd.

Monitoring

Monitored Party	: MURAD APPARELS LTD.
amfori ID	: 050-000241-000
Site	: Murad Apparels Ltd.
Site amfori ID	: 050-000241-002
Address	: South Gouripur, Ashulia, Savar, : 1341, Dhaka : Dhaka : Bangladesh
Monitoring Activity	: amfori Social Audit - Manufacturing
Monitoring Type	: Full Monitoring
Submission Date	: 08/06/2022
Expiration Date	: 08/06/2024

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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	C
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	A
PA 13: Ethical Business Behaviour	A

General description

Auditing Company: ITS Labtest Bangladesh Ltd.

Name of Auditors and APSCA Registration Number:

- 1) Mamonur Rahman Khan - RA 21700982
- 2) Abdullah Muktadir - RA 21700582
- 3) Umme Hunny Tabassum - ASCA 21705348
- 4) Fuara Sultana - RA 21703441
- 5) Mohammad Abul Kashem - RA 21702386

Audit date: 29 May 2022

Factory license number 17270/Dhaka, category “I” which is valid till 30 June 2022.

Murad Apparels Ltd. is a 100% export oriented ready-made woven Garments manufacturer located at South Gouripur, Ashulia, Dhaka, Bangladesh. Total land area of the facility premises is approximate 350000 square feet, production area is approximate 122705 square feet and warehouse area is 29780 square feet.

This amfori BSCI full audit was conducted by ITS Labtest Bangladesh Ltd. Five auditors in one day conducted the audit and verified the facility's operations against the amfori BSCI Code of Conduct and local legislation. Facility management was positive towards this audit and provided full access to the auditors. Note, in this audit 4.5 man-days spent on-site, and 0.5 man-day assigned for offsite report purpose.

Auditors conducted opening meeting also conducted site observation, workers, worker representatives, management interview, document review and closing meeting. Md. Amran Hossain—Manager of HR and Compliance was responsible for implementation of social compliance system in the facility.

Facility's working hours are as follows:

- There is 01 general shift which is from 08:00 am to 05:00 pm including 01-hour Interval for rest or meal from 01.00 pm to 02.00 pm.
- Facility has 03 shifts (06:00 am to 02:00 pm, 02:00 pm to 10:00 pm and 10:00 pm to 06:00 am) in security section with including 01-hour Interval for rest or meal in each shift by rotation.

In general, the employee work for 06 days in a week (Saturday to Thursday) and Friday is weekly holiday. All employees were recruited permanently and receive wages by monthly fixed rated basis in local currency within 7th working day of the following month. The factory uses electronic time recording system (finding punch) to record daily attendance of employees.

Production capacity was 500000 pieces per month and. Main production processes were Cutting, Sewing, Finishing and packing.

The facility consists of 06 RCC buildings and 01 shed buildings described as follows:

Building 01 (03 storied):

Ground floor: Cutting section, finishing section, accessories store, boiler room and compressor room.

1st floor: Sewing section and office area.

2nd floor: Sewing section, sample section and cutting section

Roof top: 10 % used as left over storage. 90% vacant.

Building 02 (06 storied):

Ground and 1st floor to 2nd floor: Fabric warehouse.

3rd floor to 5th floor: Finished goods storage area.

Roof top: 100% free.

Building 03 (tin roofed 02 storied):

Ground floor: Childcare room, medical room, prayer room and inspection room.

1st floor: Dining and canteen area.

Building 04 (01 storied): Security section and construction material storage.

Building 05 (01 storied): Fire control room.

Building 06 (01 storied): Generator room, and substation room and fire pump room.

Shed 01 (01 storied): Wastage storage area

Opening Meeting:

The audit process was started with an opening meeting where Md. Amran Hossain—Manager of HR and Compliance, Mr. Masum Billah – Officer of Compliance, Mr. Ziaur Rahman – Officer of Compliance, Ms. Sumaya Sharmin – Welfare Officer, Ms. Chondro Banu - Vice President of Participation Committee were present in the opening meeting from factory side. In a brief auditor described the whole audit process, standards, scope, and explained the amfori BSCI code of conduct and local laws to what extent these are related to this audit. Meanwhile, management assured the auditors to help throughout the audit process. All physical audit scope including Cutting, Sewing, Finishing and packing were covered during the audit. Inside the facility premises and building, no more facility was found.

36 permanent employees were selected for interviews from different production processes and sections. Among them, 17 are male and 19 are female employees. Audit scope was from May 2021 to April 2022.

Improvement areas were identified in PA 1, PA 2, PA 5, PA 6, PA 7, PA 10, PA 12 and PA 13 details of the findings are listed in the respective sections.

For other areas (PA 3, PA 4, PA 8, PA 9 and PA 11), no non-conformities were noted, and the compliance noted is mentioned in related performance areas.

Closing meeting:

A closing meeting was conducted at end of the audit. All the attendees of the opening meeting were also present in the closing meeting. Auditors communicated all the findings in detail and discussed the area of improvement to the auditees. The auditee was positive about the discussion and agreed on the area of improvement. Md. Amran Hossain—Manager of HR and Compliance and Ms. Chondro Banu - Vice President of Participation Committee have signed the findings report.

#COVID19

The facility has taken some preventive measures for the #COVID19 situation. For example, they have arranged hand washing areas at the factory gate and at the facility production floors. The facility ensured all employee's body temperatures are checked through the infra-red gun, they also have disinfection tunnel. The facility ensures to use of a mask for all employees, also they have a cleaning schedule to disinfect the facility premise including common furniture and equipment. Arrange awareness session for #COVID19 and vaccination.

Note:

Below documents have not been uploaded as being not applicable for this facility:

- Contractor license/permit, not applicable as there was no contractor used by the facility.
- Agency labour contract, not applicable as there was no contractor used by the facility.
- Government waivers, not applicable as this is not applicable for amfori monitoring.
- Collective bargaining agreements, not applicable as there was no CBA at the facility
- Structural/stability license, no such license but has layout and building construction plan.

Below photographs have not been uploaded as these were not applicable for this facility:

- Dormitories, not applicable as there was no dormitory at the facility.
- High-risk health and safety areas, not applicable as there was no such risky area at the production process, machinery, and workplace.
- Inconsistencies between time and production records, not applicable as there was no inconsistency found.

Site Details

Site : Murad Apparels Ltd.
Site amfori ID : 050-000241-002

GICS Classification

Sector	: Consumer Discretionary	Industry	: Textiles, Apparel & Luxury Goods
Industry Group	: Consumer Durables & Apparel	Sub Industry	: Apparel, Accessories & Luxury Goods

amfori Process Classifications

N.A.

NACE Classification

N.A.

GS1 Classifications

N.A.

Water Stress Situation

N.A.

Metrics

Key Metrics

Total workforce	1741 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	11220 Monthly
Total sample	36 Workers

Other Metrics

Male workers	781 Workers
Female workers	960 Workers
Permanent workers - Male	781 Workers
Permanent workers - Female	960 Workers
Temporary workers - Male	0 Workers
Temporary workers - Female	0 Workers
Seasonal workers - Male	0 Workers
Seasonal workers - Female	0 Workers
Management - Male	8 Workers
Management - Female	0 Workers
Apprentices - Male	0 Workers
Apprentices - Female	0 Workers
Workers on probation - Male	193 Workers
Workers on probation - Female	350 Workers
Workers with night shift - Male	4 Workers
Workers with night shift - Female	0 Workers
Workers with disabilities - Male	0 Workers
Workers with disabilities - Female	0 Workers
Domestic migrant workers - Male	490 Workers
Domestic migrant workers - Female	570 Workers
Foreign migrant workers - Male	0 Workers
Foreign migrant workers - Female	0 Workers
Workers hired directly - Male	781 Workers
Workers hired directly - Female	960 Workers
Workers hired indirectly - Male	0 Workers
Workers hired indirectly - Female	0 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	0 Workers
Workers on parental leave - Male	0 Workers
Workers on parental leave - Female	0 Workers
Sample - Male	17 Workers
Sample - Female	19 Workers

Findings

PA1: Social Management System

In accordance with amfori BSCI Performance Area (Social Management System and Cascade Effect) No. 1.1 (Is there satisfactory evidence that the auditee has set up an effective management system to implement the BSCI Code of Conduct): It was noted that the established management system of the facility needs some improvement in implementing BSCI Code of Conduct in their business practice in few performance areas. Facility needs to implement the BSCI system manual for producers properly where improvement areas are identified. Note: The facility has other effective system, policies and procedures in place to implement the BSCI COC in their business practice, so partial rating is given in this section.

In accordance with BSCI Performance Area (Social Management System and Cascade Effect) No. 1.3 (Is there satisfactory evidence that the auditee has a good overview of the significant business partners and their level of alignment with the BSCI Code of Conduct?) Findings: It was noted that, a) facility has supplier selection policy to select current and future business partners. But they did not conduct social performance monitoring for 05 out of 05 significant business partners. b) there is no proper procedure to handle the complaint raised by the business partners. c) facility did not share terms of implementation with any of their business partners. Note: Facility has documented partial information for business partners and has a policy and procedure for supplier selection, so partial rating is given in this checkpoint.

PA 2: Workers Involvement and Protection

In accordance with amfori BSCI Performance Area (Workers Involvement and Protection) No. 2.1: (Is there satisfactory evidence that the auditee has good management practices that involve workers and their representatives in sound information exchange on workplace issues?) and Bangladesh Labour Law 2006 (207) (1) The participation committee shall meet at least once in every two months to discuss and exchange views and recommend measures for performance of the functions under section 202.) and Bangladesh Labour Rules 2015, rules 195 (1): Notice and minute of the meeting- (1) notice of a meeting participating committee to be issued by giving seven days but 24 hours notice will be issued in the event of an emergency meeting. Findings: It was noted that, Participation Committee has not been arranged meeting every two months. Last two meeting conducted on 13 March 2022 and 09 January 2022. In addition, Facility has issued notice of a meeting just three days before instead of seven days for general meeting. Last meeting conducted on 13 March 2022 and notice issued on 10 March 2022. Note: as facility has formed Participation Committee (PC) and is arranging meeting, so partial rating was given to this checkpoint.

In accordance with BSCI Performance Area (Workers Involvement and Protection) No. 2.5 (Is there satisfactory evidence that the auditee has established, or participates in, an effective operational-level grievance mechanism for individuals and communities?) Finding: It was noted that the grievance lodged in the grievance register didn't include the information of Further investigation needed or not, the hearing of the parties, the Conclusion reached and accepted by both parties, the Involvement of the worker's representative, Higher level involvement. Note: The facility has other conventional industry practices, policies and procedures to establish grievance mechanisms, so a partial rating is given in this section.

PA 5: Fair Remuneration

In accordance with BSCI Performance Area (Fair Remuneration) No. 5.4: (Is there satisfactory evidence that the auditee provides sufficient remuneration that allows workers to meet a decent standard of living?): Finding: It was noted that the factory management did not take initiative to achieve living wages. However, they have calculated basic living wage as an acceptable standard. Note: As most of the workforces meet their decent standard of living, so partial rating is given in this section.

PA 6: Decent Working Hours

In accordance with amfori BSCI Performance Area (Decent Working Hours) No. 6.2 (Is there satisfactory evidence that the auditee request of overtime is in line with the requirements of the amfori BSCI Code of Conduct?) and Bangladesh Labor Law 2006, Section 102 (2): ((2) Subject to the provisions of section 108, an adult worker may work for more than 48 (forty-eight) hours also in a week: Provided that the total working hours of such worker shall not exceed 60 (sixty) hours in a week, and on the average 56 (fifty-six) hours per week in a year:) Findings: It was noted that the facility has worked weekly excessive overtime in the sample month of April 2022 (Recent Paid Month): I. 24 out of 36 workers have worked a minimum of 11 hours (08 hours regular+03 hours overtime) to a maximum of 14 hours (8 hours regular +06 hours overtime) in a day. II. 24 out of 36 workers have worked a minimum of 61 hours (48 hours regular+13 hours overtime) to a maximum of 83 hours (48 hours regular+35 hours overtime) in a week. Note, no excessive overtime work found in other sample months. Note, as no excessive overtime found in other sample month and overtime payment was provided accordingly, so partial rating was given to this checkpoint.

PA 7: Occupational Health and Safety

In accordance with BSCI Performance Area (Occupational Health and Safety) No. 7.1: (Is there satisfactory evidence that the auditee observes occupational health and safety regulations applicable for its activities?) and Bangladesh Labour Rules 2015, Rule 68 (4) and (5): (The owner of the institute shall conduct the physical fitness test of the workers on his/her own cost, by a registered Physician, for the activities that are described in Sub-section (1) and (2) and he/she would receive a Medical Certificate of each worker as per Form-26, certifying his fitness for performing the activities. And The owner must receive the physical fitness certificate of each worker mentioned in Sub-section (4), which has to be certified by a registered Physician, at least once a year). Finding: It was noted that the facility has not conducted occupational health checkup for their employees regularly. Last health checkup done in June 2020. Also, they did not issue Medical Certificate yearly as per Form-26, to certify his/her fitness for performing the activities. Note: as the facility has a policy on occupational health and safety, so partial rating was given to this checkpoint.

In accordance with BSCI Performance Area (Occupational Health & Safety) No. 7.3 (Is there satisfactory evidence that the auditee regularly carries out risk assessments for safe, healthy and hygienic working conditions?): Finding: It was noted through documents review and management interview that facility management has conducted risk assessment for all sections. But the conducted risk assessment document lacks the following areas: • Date of last conducted risk assessment were not given in conducted risk assessment • The facility did not conduct hazard identification and risk assessment periodically • Follow-up on the effectiveness of the risk assessment was not conducted. Note: As facility management has conducted risk assessment for all sections and vulnerable workers, so partial rating is given in this checkpoint.

In accordance with amfori BSCI Performance Area (Workers Involvement and Protection) No. 7.5 (Is there satisfactory evidence that the auditee regularly provides OHS trainings to ensure workers understand the rules of work, personal protection and measures for preventing and reacting to injury to themselves and fellow workers?) and Bangladesh Labor Rules 2015, Rules-55 (14): 14) As per Section 62(8), fire drills and emergency evacuation drills have to be arranged at least once in every six-month period and the same has to be preserved in respective record books, in accordance with Form- 22. In addition, the concerned Inspector and nearby Fire Service Station have to be informed minimum 15 days before the drills are held. Finding: It was noted that the facility did not notify nearby fire service station about fire drill before 15 days as required by law. The last drill was conducted on 26 May 2022 and notice was given on 22 May 2022. Note: As facility has conducted fire drill as per law, so partial rating has been given in this checkpoint.

In accordance with BSCI Performance Area (Occupational Health and Safety) No. 7.6: (Is there satisfactory evidence that the auditee enforces the use of Personal Protective Equipment in conjunction with other facility controls and safety systems?) and Bangladesh Labour Law 2006, Section 63(1) D: Fencing of machinery. (1) In every establishment the following machinery, while in motion or in use, shall be securely fenced by the safeguards of substantial construction, namely: Findings: It was noted that no perforated matts were provided underneath of 03 out of 03 snap button machines which could make incident of stepping injury in workers foots from the fallen buttons at finishing section located at ground floor of building 02. Note: as facility maintains use of PPE at all other required areas, so partial rating is given.

In accordance with BSCI Performance Area (Occupational Health and Safety) No. 7.17 (Is there satisfactory evidence that the auditee ensures adequate safeguards for any machine part, function, or process which may cause injury to workers?) and Bangladesh Labor Law 2006, Section 63(d) (unless the following machinery are in such position or of such construction as to be safe to every person employed in the establishment as they would be if they were securely fenced (i) every part of an electric generator, a motor or rotary converter, (ii) every part of transmission machinery, (iii) every dangerous part of any machinery.) Findings: It was noted that, eye guard found in displaced condition with approximately 15% overlock machine and needle guard found in displaced condition with approximately 20% sewing machines in sewing section located at 1st floor & 2nd floor of building 01. Note: As the facility had other machine guards in place, so partial rating is given in this section.

In accordance with BSCI Performance Area (Occupational Health & Safety) No. 7.19: (Is there satisfactory evidence that the auditee has emergency procedures, in writing, to deal with cases of trauma or serious illness?) Finding: It was noted that facility management has developed an emergency procedure to deal with trauma and serious illness, but no awareness training found provided to the responsible person. Note: As facility management has made an emergency procedure to deal with trauma and serious illness, so partial rating is given in this checkpoint.

PA 10: No Precarious Employment

In accordance with BSCI Performance Area (No Precarious Employment) No. 10.2: (Is there satisfactory evidence that the auditee engages workers based on recognized and documented employment relationships?): and a) Bangladesh Labour Rules 2015, Section 19(5). (Each owner will provide identity card with the photograph to each worker working in the firm at the costs of the owner as per Form-6.) b) Bangladesh Labor Rules 2015, rule 19 (4): The worker should mention the following information in the letter of appointment of the worker under the section 5, such as: (h) Wages or pay scale (Wages or salary and the rate of the increase of annual salary, if any). Findings: It was noted that a) randomly checked 10% employee Identity cards (ID) were found not maintained as per rules, because some required information like Blood Group, National ID No, etc. were found missing. b) information like yearly increment percentage were not mentioned in appointment letter of the employees. Note, as all other requirements under this question, so partial rating is given in this checkpoint.

PA 12: Protection of the Environment

In accordance with BSCI Performance Area (Protection of the Environment) No. 12.5: (Is there satisfactory evidence that water is managed in a way that respects the environment, particularly but not limited to preserving local water sources?). Finding: It was noted that no risk assessment was conducted on water waste reduction as well as the facility did not have any procedure to prevent water loss and have a system to preserve natural water resources (recycling practices, preserving rainwater, etc.) to ensure a better environment in the premises. Note: As the facility has an environment protection policy, so partial rating is given in this checkpoint.

PA 13: Ethical Business Behaviour

In accordance with BSCI Performance Area (Ethical Business Behavior) No. 13.1: (Is there satisfactory evidence that the auditee actively opposes any act of corruption, extortion or embezzlement, or in any form of bribery in its activities as a business enterprise?). Finding: It was noted that it was noted that a) The facility did not communicate anti -corruption policy with their business partners. b) factory management has not identified most the potential areas of corruption and possible solution of mitigate anti-corruption issue, but they did not identify the potential corruption for admin and production department and admin department. Note, as facility have developed an anti-corruption policy to prevent corruption and provide awareness training to the employees so, partial rating is given in this checkpoint.