

Monitored Party Deshone Apparels Ltd	amfori ID 050-001505-000	Address TH. Bhaban, 71, Borobagh, Mirpur 02, Dhaka, 1216 Dhaka, Dhaka, Bangladesh
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner UL LLC
Monitoring Start Date 24/03/2024	Closing Meeting Finished Date 25/03/2024	Submission Date 27/03/2024
Expiration Date 27/03/2025	Announcement Type Fully Announced	
Site Site 1	Site amfori ID 050-001505-001	

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OVERALL RATING



SECTION RATING

PA1: Social Management System	C	
PA 2: Workers Involvement and Protection	D	
PA 3: The Rights of Freedom of Association and Collective Bargaining	A	
PA 4: No Discrimination, Violence or Harassment	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, Forced Labour or Human Trafficking	A	
PA 12: Protection of the Environment	A	
PA 13: Ethical Business Behaviour	A	

GENERAL DESCRIPTION

Name of lead auditor: Zahidun Nabi CSCA 21702554

Name of team auditor: Tofael Hossain CSCA 21702701 / Rashna Shamsuddin (ASCA 21701410)

Name of observers, translators, trainees, advisors/consultants: Mahafuja Anjum ASCA 32400031 attended to conduct female worker's interview.

Monitoring partner name: UL LLC

Audit schedule details: The assessment is planned for 3 auditors on one day

Announcement Type: Announced

The auditee locates in Bangladesh, while the auditors are from same country.

Business partner information: The auditee is located at TH. Bhaban, 71, Borobagh, Mirpur 02, Dhaka- 1216 Dhaka, Bangladesh. It was founded on 13-Jul-2013. The business license number is 16811/Dhaka, which is valid from 1-Jul-23 to 30-Jun-24. The products of the auditee are tops and bottoms of knit garments. Production processes include Cutting, Sewing and Finishing.

Audited location information:

There are two factories sharing the same building.

Fashion Flavor: Printing process (Trade license no Trad/DNCC/022717/2022)

Deshone Apparels Ltd: Cutting, sewing, finishing process (Trade license no Trad/DNCC/015691/2022)

Factory Fashion Flavor under different license and payroll (Not in audit scope). No workers sharing observed. There is one main building.

Ground floor: Security post, doctors' room, childcare room, Fabric store, Finished goods store, Boiler room, Generator room, Office.

1st floor: Fashion Flavor

2nd floor: Finishing section, officer

3rd floor: Sewing section.

4th floor: Cutting and sample section.

5th floor: Sewing section.

6th floor: Wastage area, dining room, canteen, open space. No dormitory onsite

All these land and buildings are rented from the landlord (Mr. Akterujjaman Sauda).

Operating shifts and hours:

The cutting, sewing, and finishing section employees work in 1 working shift (8:00 am to 5:00 pm) with lunch break from 1:00 pm to 2:00 pm. Security section employees work in 3 working shifts (6:00 am to 2:00 pm/2:00 pm to 10:00 pm/ 10:00 pm to 6:00 am) with 1-hour lunch or dinner break on each shift. Voluntary type of overtime would be conducted from 5:00 pm to 7:00 pm and frequency is maximum 2 hours per day and 12 hours per week. The 7th day of rest is provided to employees.

Time recording system: Electronic finger scan used to track the working hours of employees.

Salary payment details: Employees are paid within the 7th working day after the end of each month for the payment cycle. They are paid by cash.

Worker number information:

- Total worker number: 455
- Production worker number: 425 (170 male number and 255 female number)
- Vulnerable worker number: 0 pregnant workers and 0 disabled workers.

Good practices:

PA 1- Supply chain mapping is done in advance.

PA 5- The auditee has done living wage calculation.

PA 5- The auditee pays 400~300 BDT per month as a present bonus for full attendance in a month.

Worker organization details: There is no trade established in the auditee. There is non-elected workers association formed onsite. The election is not approved by the government. The association formed on 19-Jan-23.

Circumstances: #COVID-19- The auditee has established precautions about COVID-19 in the facility. The auditee measured the temperature while entering. They also installed a hand wash facility onsite. Moreover, employees are using masks and awareness posters to maintain social distance as much as possible.

Summary of findings: There were noncompliance issues reported in PA 1, PA 2, PA 3, PA 5, PA 7 & PA 10.

PA1: PA 1.1 gap in management system; PA 1.3- Gap in supply chain mapping

PA 2: PA 2.1- Gap is workers association; PA 2.3- Gap in workers awareness for local law; PA 2.4- Gap in workers

awareness on BSCI Code.

PA 3: PA 3.1- Gap in workers association

PA 5: PA 5.4- Gap in living wage.

PA7: PA 7.1- Gap in health and safety management system & lack of generators permission; PA 7.4- gap in safety committee; PA 7.6- Lack of PPE; PA 7.7- gap in exhaust system in spot removing operations; PA 7.11- Gap in layout plan; PA 7.16- Gap in fire safety plan; PA 7.17- Gap in machine safety management system.

PA 10: PA 10.2- Gap in service book and nominee form update.

No observations identified in other PAs.

Living wage calculation: The auditee has written long term plan and goal to close the gap of living wage by 2025 and currently ensuring minimum wage as per law. The latest living wage data is published on GLWC website (Living Wage Update Report No. 2022-04-28) for Bangladesh. As per the published data, the living wage of this region is 23254 BDT per month. The auditee has done a survey among the workers (30 workers) for living wage estimation with Anker methodology. At least 2 worker's total remuneration (including overtime wage) is more than the living wage calculated auditee and rest workers are ensured for minimum wage.

Opening Meeting: Upon arrival to the facility, the auditors were greeted by Mr. Jahangir Hossain- CEO and escorted to the meeting room located on 2nd floor where an opening meeting was conducted with Mr. Jahangir Hossain- CEO; Md. Habibul Haque- Senior Officer HR & Compliance, and the Worker's Representative. The assessment procedures, grading criteria, UL Statement of Integrity and amfori BSCI COC and TOI were explained, and the UL Statement of Integrity was signed by Md. Habibul Haque. amfori BSCI COC was signed by Md. Habibul Haque during the assessment scheduling process. Access to facility and documentation was fully granted. Facility management allowed the auditors to take photos during the assessment.

Closing Meeting: At the conclusion of the assessment a closing meeting was conducted with the above management team and the workers association member. The assessment outcome was communicated and reviewed in detail through presenting the Closing Meeting Report. Facility management agrees with all the observations and commented that they will correct all the issues. The Closing Meeting Report was signed by Md. Habibul Haque. The assessment team thanked the meeting participants for their time, cooperation, and assistance with the assessment process. The assessment was concluded at 4:00 pm.

Auditor Notes:

1. Those documents below were not uploaded to the system due to the fact that they are not applicable. (Below photos are not available- Agency Labor contract- No agency; Contractor license/permit- No contractor, Government Waivers-Not applicable; Inconsistencies between time and production records- Not detected; Dormitory- No dormitory provided by the auditee; Environmental clearance certificate- Not applicable for this factory.
2. Due to the local law requirements on protection of personal data, personal information has been hidden in the audit report and uploaded documents.
3. The factory management understands English and as per amfori BSCI memo, translation is not required.

SITE DETAILS

Site
Site 1

Site amfori ID
050-001505-001

GICS Classification

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

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

N.A.

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	433	Workers
Legal minimum wage in local currency	12,500	Monthly
Lowest wage paid for regular work at the site	12,500	Monthly
Calculated living wage in local currency	23,254	Monthly
Total sample	20	Workers

Other Metrics

Male workers	173	Workers
Female workers	260	Workers
Non-binary workers	0	Workers
Permanent workers - Male	182	Workers
Permanent workers - Female	273	Workers
Permanent workers - Non-binary	0	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Temporary workers - Non-binary	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Seasonal workers - Non-binary	0	Workers
Management - Male	20	Workers
Management - Female	10	Workers
Management - Non-binary	0	Workers
Apprentices - Male	0	Workers
Apprentices - Female	0	Workers
Apprentices - Non-binary	0	Workers
Workers on probation - Male	4	Workers
Workers on probation - Female	6	Workers
Workers on probation - Non-binary	0	Workers
Workers with night shift - Male	9	Workers
Workers with night shift - Female	0	Workers
Workers with night shift - Non-binary	0	Workers
Workers with disabilities - Male	0	Workers
Workers with disabilities - Female	0	Workers
Workers with disabilities - Non-binary	0	Workers
Domestic migrant workers - Male	0	Workers
Domestic migrant workers - Female	0	Workers
Domestic migrant workers - Non-binary	0	Workers
Foreign migrant workers - Male	0	Workers

Foreign migrant workers - Female	0	Workers
Foreign migrant workers - Non-binary	0	Workers
Workers hired directly - Male	182	Workers
Workers hired directly - Female	273	Workers
Workers hired directly - Non-binary	0	Workers
Workers hired indirectly - Male	0	Workers
Workers hired indirectly - Female	0	Workers
Workers hired indirectly - Non-binary	0	Workers
Unionised workers - Male	0	Workers
Unionised workers - Female	0	Workers
Unionised workers - Non-binary	0	Workers
Workers under CBA - Male	0	Workers
Workers under CBA - Female	0	Workers
Workers under CBA - Non-binary	0	Workers
Pregnant workers	0	Workers
Workers on parental leave - Male	0	Workers
Workers on parental leave - Female	1	Workers
Workers on parental leave - Non-binary	0	Workers
Sample - Male	8	Workers
Sample - Female	12	Workers
Sample - Non-binary	0	Workers

FINDINGS



PA1: Social Management System

Site: Site 1 | Site amfori ID: 050-001505-001

Question: 1.1 Is there satisfactory evidence that the auditee has set up an effective management system to implement the amfori BSCI Code of Conduct?

ENGLISH

Finding

PA 1.1- Based on document review and management interview it was noted that the auditee partially respects this principle. There are gaps identified in other performance areas which indicate gap in management system. This question is rated partially as the auditee has full commitment in other performance area and there is policy and procedure. [In accordance with amfori BSCI Code 1.1]

Question: 1.3 Is there satisfactory evidence that the auditee has identified their significant business partners and their level of alignment with the amfori BSCI Code of Conduct?

ENGLISH

Finding

PA 1.3- The factory has supplier selection procedure and factory has done internal audit, signed anti-corruption policy, share supplier grievance mechanism etc. However, 1 out of 2 sample supplier's signed COC is missing with company chop. As the rest of the supplier files are observed is signed COC accordingly, this is rated partially [In accordance with amfori BSCI Code 1.4]



PA 2: Workers Involvement and Protection

Site: Site 1 | Site amfori ID: 050-001505-001

Question: 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?

ENGLISH

Finding

PA 2.1- Based on document review and workers interview it was noted that auditee partially respect this principle as- It was noted that currently there is one workers participation committee. However, the committee is not approved by the labor department of Bangladesh. This is rated partially as there is written freedom of association policy and at least workers association [Bangladesh Labor Code (2006), Amendment (2013), Sec.205(6)]

Question: 2.3 CRUCIAL: Is there satisfactory evidence that the auditee takes specific steps to make workers aware of their rights and responsibilities?

ENGLISH

Finding

PA 2.3- Based on document review and management interview it was noted that the auditee partially respects this principle as- Though the factory is providing training in local law, however, 4 out of 20 sample workers were unaware of their leave, overtime premium, annual leave cash payment, festival bonus service benefit etc. This is rated partially as other sample workers are aware [In accordance with BSCI CoC 2.3]

Question: 2.4 Is there satisfactory evidence that the auditee builds sufficient competence among managers, workers and workers representatives to successfully embed responsible practices in the business operation?

ENGLISH

Finding

PA 2.4- Based on document review and management interview it was noted that the auditee partially respects this principle as- There is awareness training session for employee regarding amfori BSCI Code of conduct. However, at least 5 out of 20 sample employees are not aware amfori BSCI Code of Conduct. This question is rated partially as there is amfori BSCI management representative who is responsible for conduct training and other sample employees are aware of code. [In accordance with amfori BSCI Code 2.4]

PA 3: The Rights of Freedom of Association and Collective Bargaining

Site: Site 1 | Site amfori ID: 050-001505-001

Question: 3.1 Is there satisfactory evidence that the auditee respects the right of workers to form unions - or to refrain from doing so- without distinction whatsoever and irrespective of gender in a free and democratic way?

ENGLISH

Finding

PA 3.1- Based on document review and workers interview it was noted that auditee partially respect this principle as- It was noted that currently there is one workers participation committee. However, the committee is not approved by the labor department of Bangladesh. This is rated partially as there is written freedom of association policy and at least workers association [Bangladesh Labor Code (2006), Amendment (2013), Sec.205(6)]

PA 5: Fair Remuneration

Site: Site 1 | Site amfori ID: 050-001505-001

Question: 5.4 Is there satisfactory evidence that the auditee provides sufficient remuneration that allows workers to meet a decent standard of living?

ENGLISH

Finding

PA 5.4- The auditee has written long term plan and goal to close the gap of living wage by 2025 and currently ensuring minimum wage as per law. The latest living wage data is published on GLWC website (Living Wage Update Report No. 2022-04-28) for Bangladesh. As per the published data, the living wage of this region is 23254 BDT per month. The auditee has done a survey among the workers (30 workers) for living wage estimation with Anker methodology. At least 2 worker's total remuneration (including overtime wage) is more than the living wage calculated auditee and rest workers are ensured for minimum wage. As the total remuneration partially meets the living wage calculated by auditor, this is rated partially [In accordance with amfori BSCI Code 5.4]

PA 7: Occupational Health and Safety

Site: Site 1 | Site amfori ID: 050-001505-001

Question: 7.1 Is there satisfactory evidence that the auditee observes occupational health and safety regulations applicable for its activities?

ENGLISH

Finding

PA 7.1- Based on document review, health and safety walkthrough, workers, and management interview it was noted that the auditee partially respects this principle as- There are gaps identified in several principle of this performance area 7. These observations indicate noncompliance against local law. This question is rated partially as there is health and safety policy and no observations in other principles. [In accordance with amfori BSCI Code 7.1]

(2) The factory does not have any permission or waiver from Bangladesh Energy Regulatory Commission (BERC) for generation of power from generator. However, the factory has already applied to the concern authority on 17th December 2017. As they have already applied, this issue is rated partially. [Bangladesh Energy Regulatory Commission license regulation]

Question: 7.4 Is there satisfactory evidence of active cooperation between management and workers (and/or their representatives) when developing and implementing systems towards ensuring OHS?

ENGLISH

Finding

PA 7.4- Based on document review, workers, and management interview it was noted that auditee partially respect this principle as- The requirement of safety committee as per law is- safety committee should be nominated by elected workers association member. As the workers association members are not elected as per law, the requirement of safety committee is not fulfilled. This question is rated partially as the factory has policy for health and safety management system, at least safety Committee [Bangladesh Labor Rules 2015 Amendment 2022-Eighth Chapter- Welfare Arrangements-Rule 81]

Question: 7.6 Is there satisfactory evidence that the auditee enforces the use of PPE to provide protection to workers alongside other controls and safety systems?

ENGLISH

Finding

PA 7.6. During the current assessment, from the floor visit it was noted that 03 out of 03 sampled checked workers, working in the high noisy area beside the exhaust fan and threat sucker machine were not provided ear plug. And chair with back rest not provided to 100% long sitting workers working in the sewing section. This question is rated partially as the auditee has written policy on personal protective equipment, PPE training provided by the auditee, and other workers are found using required PPEs [Bangladesh Labor Code (2006), Amendment (2013),78(a). Mandatory use of personal protective equipment].

Question: 7.7 Is there satisfactory evidence that the auditee implements engineering and administrative control measures to avoid or minimise the release of hazardous substances into the work environment, keeping the level of exposure below internationally established or recognised limits?

ENGLISH

Finding

PA 7.7- Based on the floor visit and workers interview it was noted that spot removing room found open in the finishing section on the 2nd floor and exhaust fan of that room found non-functional. [In accordance with Bangladesh Labor Rule 2015, section 68 (10)]. As the factory has a comprehensive chemical safety management policy and factory providing regular training on the chemical safety, this issue rated as partial.

Question: 7.11 Is there satisfactory evidence that the auditee confirms that the equipment and buildings used for production are stable and safe?

ENGLISH

Finding

PA 7.11. During the current assessment, from the floor visit, documents review, management interview it was noted that the boiler room located on the ground floor was not included in the factory approved floor layout plan, obtained from the chief factory inspector. [In accordance with The Building Construction Act 1952, Section-3(1)]. However, as the other operational areas found included in the factory approved floor layout plan, this issue was rated as partial.

Question: 7.16 Is there satisfactory evidence that the auditee ensures evacuations plans meet legal requirements and that these plans are posted in relevant places so workers can see and understand them?

ENGLISH

Finding

PA 7.16- The auditee partially respects this principle because- Through document review and management interview it was noted that the auditee has achieved fire license from Fire service and Civil Defense authority of Bangladesh. However, the factory is still pending the fire safety plan from Fire service and Civil Defense authority of Bangladesh. This question was rated partially because the facility has health and safety policy, procedures, valid fire license and evacuation plot plan already implemented. [In accordance with Ministry of Labor & Employment Reminder No. Shrop/Con/ CMC (Part -2)/ 2012/241(3) dated July 1, 2012]

Question: 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?

ENGLISH

Finding

PA 7.17- During the current assessment, from the floor visit, it was noted that eye-safety guards were displaced found with 04 out of 08 sampled checked over-lock machines. However, safety guards with other machines found functional and in proper point. And factory providing regular machine safety training to their employees, so this issue rated as partial. [In accordance with Bangladesh Labor Law 2006, section-63(1)].

PA 10: No Precarious Employment

Site: Site 1 | Site amfori ID: 050-001505-001

Question: 10.2 Is there satisfactory evidence that the auditee engages workers based on recognised and documented employment relationships?

ENGLISH

Finding

PA 10.2- (1) Based on personal file review and management interview it was noted that the auditee partially respects this principle as- The factory pays annual leave. The provided annual leave required to be written in chapter four on service book. However, this was not updated in randomly checked 12 out of 20 service books. As the factory has the practice to record annual leave, keeping other personal records in personal file, this is rated partially [Bangladesh Labor Code (2006), Sec.7]
(2) Through employees personal file review, it was noted that 5 out of 20 sample employee's nominee form is not updated with the required information. As the rest of the employees file are observed with required information, this is rated partially [In accordance with Bangladesh Labor Rules 2015, form for Nominee]