

Monitoring result for Perfect Sweaters Limited on site Perfect Sweaters Limited

Monitoring

Monitored Party	: Perfect Sweaters Limited
amfori ID	: 050-000637-000
Site	: Perfect Sweaters Limited
Site amfori ID	: 050-000637-002
Address	: 923, Shewrapara, Begum Rokeya Saroni, Mirpur, Dhaka : 1216, Dhaka - 1216 : Dhaka : Bangladesh
Monitoring Activity	: amfori Social Audit - Manufacturing
Monitoring Type	: Full Monitoring
Submission Date	: 10/05/2022
Expiration Date	: 10/05/2023

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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	C
PA 5: Fair Remuneration	C
PA 6: Decent Working Hours	A
PA 7: Occupational Health and Safety	D
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

Perfect Sweaters Limited (Site amfori ID: 050-000637-002)

This full audit was conducted by the audit team [Md. Muftadeul Islam (RA 21704231), Bodrudduja Chowdhury (ASCA 21704455) and Mohammad Shanjid Rahman Shaheen (ASCA 21704468)] of TÜV NORD CERT GmbH on 24th March, 2022. This was a fully announced audit as scheduled by the RSP Holder. The team verified the factory's operations against the amfori BSCI Code of Conduct and local legislative requirements.

Location: 923, East Shewrapara, Mirpur, Dhaka- 1216.

Manpower: Total 391 employees working in the facility amongst them 205 are male and 186 are female employee. Amongst this total number 309 are the employees who are directly engaged with direct production. Factory has 82 non-production employees.

Product and capacity: Manufacturing sweater and currently production capacity is 1440000 pieces per year.

Production process: Raw material > winding > jacquard > linking > trimming > mending > washing > PQC > sewing > finishing.

Floor details: The factory premises consist of 1 building which description is as follows:

Building No# 01:

Ground floor: Generator, boiler, sub-station and commercial shops (Different management).

1st floor: Commercial bank. (Separate management).

2nd floor: Jacquard section, store area and office.

3rd floor: Jacquard multi gauge section, sample section, knitting distribution, accessories store, medical room, child care room, and inspection room.

4th floor: Final QC, packing section, metal free zone, finishing section and office area.

5th floor: Mending section, trimming section, sewing section, hole button section, iron section and washing section.

6th section: Linking section, knitting inspection section and dining area.

7th floor: Winding section and bonded warehouse.

Roof top: Canteen area and rest are vacant.

Working Hour: 08:00 am to 05:00 pm. Employees are allowed for one-hour meal break (01:00 pm to 02:00 pm). Jacquard section runs into two shifts in a day: 08:00 am to 05:00 pm and 08:00 pm to 05:00 am. They maintain attendance records through electronic time keeping systems. There are only 1 shift in security section (08:00 am to 05:00 pm). As the factory is located in a commercial building night is covered by the common security of the building.

Opening meeting: 24th March, 2022

Auditors:

Mr. Md. Muftadeul Islam - Lead Auditor

Mr. Bodrudduja Chowdhury - Auditor

Mr. Mohammad Shanjid Rahman Shaheen - Auditor

Factory Representatives:

Mr. Ahmed Ehsan Kabir - Director

Mr. Md. Sujon Sheikh - Manager (HR & Compliance)

Mr. Md. Sahabuddin Bahar - Assistant manager (HR & Admin)

Mr. Md. Aminur Hasan - Executive (Admin)

Mr. Rifatul Reza - Executive (Admin)

Ms. Meherunnesa Nupur - Vice President of workers' participation committee

During opening meeting, the lead auditor explained the audit purpose and scope. It was also communicated that workers will be interviewed in private, detailed document checking and a payroll record review shall be carried out. A visit of the plant, with permission for photography was requested. Confidentiality of all information was guaranteed by the auditor. The management team permitted to carry out the whole process as per the client's requirement. After the completion of the opening meeting, the auditors split into separate individual units to carry out a plant tour, document verification, management interview and other information collection as per the audit plan. All management staff remained with the assessment team throughout the assessment process and was very cooperative throughout the assessment process.

Documentation:

- Certificate of incorporation: C-41137 (496) which was issued on 28th August, 2000.
- Factory license no.: 11388/Dhaka (category "F") and found valid till 30th June, 2022.
- Fire license no.: DD/Dhaka/16896/2002 (covering 41,400 square feet) which was found valid till 30th June, 2022.
- Trade license no.: Issued by Dhaka North City Corporation (license number is 966) and found valid till 30th June, 2022.
- Group insurance certificate: The factory has group insurance coverage with BGMEA (factory registration number# 3705 and certificate number# 20220742) which was found valid for the year of 2022 covering the entire workforce.
- Drinking water test: Last test for drinking water was done on 16th March, 2022 from DPHE.
- VAT registration certificate: BIN: 000217926

Mr. Md. Sujon Sheikh- Manager (HR & Compliance), is responsible for compliance with the code. Factory has translated amfori BSCI Code in local language and posted them at prominent locations.

25 permanent employees were randomly selected from different production section for interview. Factory management has provided 1-year payroll records and time record for auditor's review. On sample basis payroll records and time cards of the month of February 2022 (most recent paid month), September 2021 (random month) and April 2021 (random month) were reviewed. Moreover, attendance record, daily hourly & monthly production records, garments inspection report and accessories receiving and distribution records were reviewed by the auditors.

Closing Meeting: Held on 14th March, 2022 to discuss various issues observed during the audit.

Auditors:

Mr. Md. Muftadeul Islam- Lead Auditor
Mr. Bodrudduja Chowdhury- Auditor
Mr. Mohammad Shanjid Rahman Shaheen- Auditor

Factory Representatives:

Mr. Ahmed Ehsan Kabir- Director
Mr. Md. Sujon Sheikh- Manager (HR & Compliance)
Mr. Md. Sahabuddin Bahar- Assistant manager (HR & Admin)
Mr. Md. Aminur Hasan- Executive (Admin)
Mr. Rifatul Reza- Executive (Admin)
Ms. Meherunnesa Nupur- Vice President of workers' participation committee

Special Notes:

As per legal document (Value Added Tax Registration Certificate) factory name is "Perfect Sweaters Limited" and under type it is mentioned as Private Limited Company.

There are no agencies used by the auditee, which makes the agency labor contract not applicable.

The factory has no trade Union and no collective bargaining agreements as it is not mandatory.

The factory did not collect any "Building Stability Certificate" and "Building Occupancy Certificate" from the concern authority.

The client mentioned number of employees as 400 in the initial questionnaire. During audit, the current employees was found as 391. However, the current manpower does not change the audit man-days.

Site Details

Site : Perfect Sweaters Limited

Site amfori ID : 050-000637-002

GICS Classification

Sector : Industrials

Industry : Industrial Conglomerates

Industry Group : Capital Goods

Sub Industry : Industrial Conglomerates

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

N.A.

Water Stress Situation

N.A.

Metrics

Key Metrics

Total workforce	368 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	25 Workers

Other Metrics

Male workers	201 Workers
Female workers	167 Workers
Permanent workers - Male	130 Workers
Permanent workers - Female	135 Workers
Temporary workers - Male	0 Workers
Temporary workers - Female	0 Workers
Seasonal workers - Male	0 Workers
Seasonal workers - Female	0 Workers
Management - Male	64 Workers
Management - Female	18 Workers
Apprentices - Male	0 Workers
Apprentices - Female	0 Workers
Workers on probation - Male	11 Workers
Workers on probation - Female	33 Workers
Workers with night shift - Male	72 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	205 Workers
Workers hired directly - Female	186 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	15 Workers
Sample - Female	10 Workers

Findings

PA1: Social Management System

Through current assessment, it was noted that though the factory has developed a social management system (a team, organogram, internal monitoring) to integrate the amfori BSCI code of conduct into day-to-day business practice and to contribute customers and stakeholders in possible continuous improvement of the facility but some gap was identified. However, some issues have been identified and discussed in relevant sections. [As per amfori BSCI CoC]

Through documents review as well as interview, it was noted that the factory management have prepared a list of their suppliers (total 6 suppliers) and amfori BSCI code of conduct & terms of implementation have been shared with all suppliers. Besides, the factory did not monitor all of the suppliers properly and suppliers weren't properly made aware of the producers' expectations of safety concerning Covid-19.

PA 2: Workers Involvement and Protection

Through documents review as well as interview with the management and workers, it was noted that the factory did not define the long-term goals for protecting workers in line with the aspirations of the amfori BSCI Code of Conduct.

Through documents review as well as interview with the management and workers, it was noted that the factory management has a process to provide training and awareness to the workers and workers representative but lack of awareness was identified about workers' rights, living wage, earn leave, job description etc. among around 40% workers. [As per amfori BSCI CoC]

Through documents review as well as interview with the management and workers, it was noted that facility has policy on grievance procedure for the workers but the policy was not in line with amfori BSCI requirement as the policy did not define properly how to deal with "potential conflict of interest", "Time Frame" and "Appeal process in the case of dissatisfaction". Besides, the interviewed workers were found less knowledgeable regarding grievance mechanism.

PA 4: No Discrimination

Through documents review as well as interview with the management and workers, it was noted that the factory developed policy and procedure to protect discrimination and identify the most common ground of discrimination.

Through documents review as well as interview with the management and workers, it was noted that the factory conducted periodic satisfaction surveys properly on the harassment, discrimination, grievance mechanism etc. among their workers.

PA 5: Fair Remuneration

The factory did not ensure annual increment (at least 5%) for the employees of the factory who has completed a year of service at least as per the minimum wage gazette published by government on November 2018.

It was noted though management interview that the factory management did not take initiative to calculate living wages due to lack of understanding though they are ensuring minimum wage as per law. Noted that living wages of the region is BDT 17,926 (approx.) and minimum wages is BDT 8000 for Grade-7 workers. In other grades, the minimum salary is higher than of this factory.

PA 7: Occupational Health and Safety

Through plant tour, documents review as well as interview with the workers and management, it was noted that a) although the factory has developed a comprehensive occupational health and safety system but some lacking was in application; those relevant issues are noted in each improvement areas and b) though the factory arranges child care room in the factory premises but it was not found well equipped.

Through plant tour, documents review as well as interview with the management and workers, it was noted that the factory assessed the risks but some areas were not taken into consideration like drinking water, stair cases, dining area, medical room, medical room etc.

Through interview, it was noted that 3 out of 4 interviewed fire fighter were found less knowledgeable regarding the basic fire safety issues.

Through plant tour, it was noted that no rubber mat with the cushioned effect was not found under the feet of several long standing workers.

Through documents review as well as management interview, it was noted that though the factory has system to record injuries but did not have proper procedure for investigation to identify the root cause of the individual injuries. Besides, the factory did not establish any proper process regarding near-misses' accidents.

PA 7: Occupational Health and Safety

Through documents review as well as interview with the management, it was noted that a) the factory did not collect any "Building Occupancy Certificate" and "Building Stability Certificate" from the concern authority and b) the canteen area was not in the coverage of fire license.

Through plant tour, it was noted that a) although the factory has addressable fire detection system but it was not synchronized with the commercial space in same factory building, b) there is no designated fire assembly point in the factory premises, c) the factory has water reservoir having capacity 4000 liters instead of 5000 liters for hose pipe; besides 1 out of 2000 liters' tank found empty and another found around 50% full and e) the water pressure of checked fire hose was found insufficient.

Through plant tour, it was noted that a) the seating capacity of the dining area was found insufficient and b) the factory did not arrange any clean area for storing food.

PA 10: No Precarious Employment

Through documents review as well as interview with the management and workers, it was noted that: a) The factory did not maintain nominee form for the workers and b) Though the factory has provided ID card in local language but some information like emergency contact number, blood group etc. was not properly mentioned in the ID cards.

PA 12: Protection of the Environment

Through current assessment it was noted that though the factory management has conducted risk assessment on water waste reduction and also provided awareness training to the employees for water waste reduction but the facility did not have any procedure to preserve natural water resource (recycling practices, preserve rain water etc.) to ensure better environment in the premises.

PA 13: Ethical Business Behaviour

Through documents review as well as interview with the management and workers, it was noted that the factory did not introduce the provision of rewards to maintain ethical behavior and integrity.