

Monitoring result for Salman Adnan (Pvt.) Ltd. on site Salman Adnan (Pvt.) Ltd.

Monitoring

Monitored Party : **Salman Adnan (Pvt.) Ltd.**
amfori ID : **050-001185-000**
Site : **Salman Adnan (Pvt.) Ltd.**
Site amfori ID : **050-001185-002**
Address : **35-B/1, Indira Road**
: **1215, Dhaka**
: **Dhaka**
: **Bangladesh**
Monitoring Activity : **amfori Social Audit - Manufacturing**
Monitoring Type : **Full Monitoring**
Monitoring Partner : **TUV Rheinland**
Monitoring Start Date : **28/02/2023**
Closing Meeting : **28/02/2023**
Finished Date
Submission Date : **14/03/2023**
Expiration Date : **14/03/2025**

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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	A
PA 13: Ethical Business Behaviour	A

General description

A semi-announced, full audit has been conducted at 'Salman Adnan (Pvt.) Ltd.' (of Azim and Son group) on February 28, 2023. It is a Private Limited Company which was founded & incorporated with the RJSC on September 27, 1992. The factory began its operation in the same year at its location, '35-B/1, Indira Road, 1215 Dhaka, Bangladesh'. Factory licenses were found valid (except power generation license waiver certificate) during audit. Note that, few minor differences in factory name and address were noted at different factory licenses, however the name and address in the amfori bsci platform was as per factory management acknowledgement.

At present, there are 274 employees inclusive of process workers, senior management members, mid-level management staffs and factory administrative staffs (except security services, as the department is under Azim and Son group). The employees comprise of both permanent and workers-on-probation. Orders from customers remain same round the year as reported by the Management. The facility remains open from Saturday to Thursday while Friday is a weekly holiday. All employees working time are recorded through electronic time keeping system (card punch). Monthly salary is disbursed through bank transfer, wherein 30% of the payment is made by bank transfer and 70% of the payment is made through mobile banking 'Bkash'. Last payment made on February 07, 2023 for the month of January 2023.

The company engaged in the manufacturing of all kinds of denim bottom items. The company is engaged in garments manufacturing process.

The main production processes are listed as follows: Cutting> Sewing> Finishing (Quality checking, packing & delivery).

Site Descriptions: As per fire license total coverage area is occupied about 37,575 square feet, however the facility currently used as production area is 24,413 square feet, storage area is about 3545 square feet and other area 9206 square feet. Total land area is about 37,575 square feet. The facility has 01 RCC and 02 steel structural building. However, all building are adjoining each other's. Floor wise site description is as follow:

Building 1 (RRC 5 Stored Building)

Ground Floor - Doctor Room, Childcare, Measurement Section, Pressing Section, Parking Area, Oil Keeping Room, Wastage Keeping Room, Boiler, Sub-Station, Fire Pump Room, Generator Room, Security and Fire Control Room.

1st Floor - MD Room, HR & Com Room, Time Keeper Office, Patten Section, Patten Master Room, Supervisor Table, Inspection Room, Finished Goods Area, Bartack Section

2nd Floor - Production GM Room, Cutting Numbering Section, Maintenance Room, Fusing Section, Output Final Table, Alter Removing, QC Table, Button Hole Machine, Bonded Warehouse

3rd Floor - Commercial Section, Commercial GM, EX ED and IT Room, Merchandising Section, Kitchen Room (For Staff), Accessories Store

4th Floor - CFO, Director, Accounts Office. Dining, Canteen

Roof Top - Vacant

Building 02 (3 Stored Steel Structural Building)

Ground Floor - Finishing, Packing

1st Floor - Sewing Section

2nd Floor - Sewing Section

Roof Top - Vacant

Building 3 (2 Stored Steel Structural Building)

Ground Floor - Cutting Section

1st Floor - Sewing Section

Roof Top - Vacant

Audit Process:

The Audit team has conducted the audit on February 28, 2023. 03 auditors was present on the audit day (covering 03 man-days onsite) thereby completed the audit as per the audit plan shared with factory management prior to the audit. No other member was present during the audit along with the audit team. A quick tour was conducted upon arrival of the audit team on the first day of audit. After that, an opening meeting was held with the factory management and workers representatives. In opening meeting, auditors explained the purpose, scope and process of the audit, brief of amfori BSCI auditing protocol. Onsite visit was conducted with a factory representative. Subsequently, the supplied documents as per audit requirements had been thoroughly reviewed. The time scope applicable for this audit begins from February 2022 to January 2023. For worker's interviews, the auditors selected workers from different production processes and different age groups. The confidentiality and comfort of the interviewees were ensured.

Management Cooperation:

Factory management was highly cooperative with the audit team throughout the audit. Auditors were allowed to access all areas (including performed workers interview in the separate confidential area without any interfere, taken photos, collected all required information and documents on time.

Closing meeting:

A final closing meeting was held at the end of the second day of the audit. Findings were discussed with all attendees in the closing meeting. Onsite findings report was issued in the English language. The management representative and the vice

president of the Participation Committee agreed to all findings raised and signed the Findings Report after the end of the closing meeting.

Audit Team and APSCA Registration Number:
Auditing Company Name: TÜV Rheinland Bangladesh Pvt. Ltd.
Lead Auditor: Md. Ikbal Hossain RA 21701992
Member Auditor: Farjana Nahar- RA 21701687
Member Auditor: Shawly Chowdhury- ASCA 21701993

Remarks: Below documents & photos are not applicable for this factory:

1. Collective bargaining agreements (There is no trade union. Collective bargaining agreement is not applicable.)
2. High-risk health and safety areas (As per risk assessment, there are no major health and safety risks.)
3. Inconsistencies between time and production records (No inconsistencies between time and production records.)
4. Dormitories (There are no dormitories in the facility premises.)
5. Environmental license is not applicable for the facility.
6. There was no contractor in the facility, so Contractor license/permit was not applicable.

Site Details

Site : Salman Adnan (Pvt.) Ltd.

Site amfori ID : 050-001185-002

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.

NACE Classification

N.A.

GS1 Classifications

N.A.

Water Stress Situation

This site is not located in a water stressed region

Metrics

Key Metrics

Total workforce	257 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	23254 Monthly
Total sample	21 Workers

Other Metrics

Male workers	74 Workers
Female workers	183 Workers
Permanent workers - Male	83 Workers
Permanent workers - Female	191 Workers
Temporary workers - Male	0 Workers
Temporary workers - Female	0 Workers
Seasonal workers - Male	0 Workers
Seasonal workers - Female	0 Workers
Management - Male	32 Workers
Management - Female	4 Workers
Apprentices - Male	0 Workers
Apprentices - Female	0 Workers
Workers on probation - Male	2 Workers
Workers on probation - Female	1 Workers
Workers with night shift - Male	0 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	83 Workers
Workers hired directly - Female	191 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	2 Workers
Workers on parental leave - Male	0 Workers
Workers on parental leave - Female	11 Workers
Sample - Male	6 Workers
Sample - Female	15 Workers

Findings

PA1: Social Management System

(i) Factory is in progress to integrate the amfori BSCI code of conduct in day-to-day business. During audit gaps were noted related to management system, workers involvement and protection, the rights of freedom of association and collective bargain, fair remuneration and occupational health and safety. (ii) Through document review it was noted that facility did not conduct internal audit covering management system, worker involvement & protection, The rights of freedom of association & collective bargaining, wages & benefit, working hour, discrimination, environment & ethical practices. Management only considers health and safety related issues in their internal audit. (iii) Facility did not update their policy and procedure based on new amendment law and rules.

Factory has developed a supplier selection policy and procedures. However, the facility did not include their washing sub-contractor and security service provider in the supply chain mapping. Also, facility management did not monitor in details the social performance of their 03 out of 07 significant business partners.

PA 2: Workers Involvement and Protection

It was noted through documents review, management and workers interview that the existing PC (Participation Committee) was formed on 25th February 2021 which has expired on 25th February 2023 but facility management did not take any initiative to re-election of new participation committee before 90 days as per local law. [Reference: Bangladesh Labor Rules 2015, (amendment) 2022, Rules 197 (2)]

The facility management has set up the company's mission and vision, specific long term goals or objectives. However, it did not have a documented strategic plan to achieve long term goals and objectives.

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

It was noted through documents review, management and workers interview that the existing PC (Participation Committee) was formed on 25th February 2021 which has expired on 25th February 2023 but facility management did not take any initiative to re-election of new participation committee before 90 days as per local law. [Reference: Bangladesh Labor Rules 2015, (amendment) 2022, Rules 197 (2)]

PA 5: Fair Remuneration

The facility management has conducted a surveys for calculating living wage for this region but did not take proper step for calculating standard food basket, market surveys, housing cost etc. As a result living wage was not calculated properly to identify the potential gap between present local minimum wage and living wage and no action plan is in place to fill the gaps.

PA 7: Occupational Health and Safety

Facility is in progress of complying health & safety rules and regulations. During audit few gaps have been noted related to risk assessment, child care, building construction approval, generator certificate and secondary containment.

Facility has conducted sectional risk assessment. But, following gaps are identified in risk assessment process during audit: (i) No risk assessment is done for substation, fire pump room, wastage keeping area, machine oil keeping area, kitchen room yet. (ii) No systematic procedure is developed to monitor and review the risk assessment periodically. [Reference: Bangladesh Labor Rules 2015, Schedule 4 (2) B (1)]

The facility management has arrange insufficient secondary containment for machine oil and diesel oil at ground floor.

(i) Based on management interview and documents review, it was noted that power generator license waiver certificate for 01 out of 01 diesel generator (capacity 220 kW) of the factory has expired on 16 December 2022. Note that facility management has applied to the concerned authority for renewal on 13 December 2022. [Reference: Bangladesh Energy Regulatory Commission Rules 2006, Rule 16 (1 & 3)] (ii) It was noted through document review and management interview that the building structural approved plan for the factory is approved as 'commercial building' instead of industrial building concern authority (RAJUK) in the year 2006 [Reference: Building Construction Act 1952, Section-3A].

Childcare room not found adequately furnished and equipped. During audit the washroom of child was found unhygienic and unclean. Moreover, breast feeding area was not arrange in the childcare room. [Reference: Bangladesh Labour Law 2006, Section 94 (7) and Bangladesh Labour Rules 2015, Section 95 (2b)]