

Monitored Party ACS Towel Limited	amfori ID 050-000039-000	Address Tetlabo, word no-3, parabo, rupganj, , 1460 Narayanganj, Dhaka, Bangladesh
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Full Monitoring	Monitoring Partner TÜV NORD CERT GmbH
Monitoring Start Date 22/08/2023	Closing Meeting Finished Date 08/09/2023	Submission Date 08/09/2023
Expiration Date 08/09/2025	Announcement Type Fully Unannounced	
Site ACS Towel Limited	Site amfori ID 050-000039-002	

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OVERALL RATING



SECTION RATING

PA1: Social Management System	B	
PA 2: Workers Involvement and Protection	C	
PA 3: The Rights of Freedom of Association and Collective Bargaining	A	
PA 4: No Discrimination	C	
PA 5: Fair Remuneration	B	
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

Name of lead auditor: Sohalur Rahman Mazumder; APSCA membership number: RA21700864.

Name of team auditor (if applicable): Md. Muftadeul Islam; APSCA membership number: ASCA21704231.

Name of observers, translators, trainees, advisors/consultants (if applicable): None.

Monitoring partner name: TÜV Nord CERT GmbH.

Audit schedule details: The audit is planned for 2 auditors x 2 days. Team auditor Muftadeul Islam attended both days of the audit.

Business partner information:

Location: Tetlabo, Word no-3, Parabo, Rupganj, Narayanganj – 1460, Bangladesh. The factory started its operation on 2007.

Product and capacity: The factory is manufacturing terry towel and production capacity is 362.5 tone pieces per month.

Production process: The main production processes are weaving (yarn dyeing > warping > sizing > weaving > dyeing > printing > washing) > Stitching (cutting > stitching > finishing).

Audited location information:

Floor details: The total land area occupied by the facility is about 1118554 square feet, production area is about 201109 square feet and warehouse area is about 48700 square feet.

The total premises is consisting of 2 factories i.e., ACS Textiles Ltd. & ACS Towels Ltd. Both of the factories are in under same ownership and same management. The facility consists of 13 buildings and 7 sheds which description is given below:

The structural details are as follows:

Building # 1: (Two Storied Steel Structured Shed Building with a Basement Floor).

Basement Floor: Chemical Store & Gray Fabric Store.

Ground Floor: Sizing Section, Warping Section, Weaving Section, Dyeing Section and only Printing Section using as combine facilities, Boiler.

1st Floor: Cutting Section, stitching Section, Finishing Section, Packing Section, Finished Goods Area, Sample Section, Lab Section, Training Section & Office.

Building # 2: One Storied:

Ground Floor: Compressor, Boiler & Generator.

Building # 3: (Three Storied).

Ground Floor: Chemical Store & General Workshop.

1st Floor: General Store & Staff Dining.

2nd Floor: Workers Dining.

Building # 4: (One Storied).

Ground Floor: ETP Building.

Building # 5: (Two Storied).

Ground Floor: Medical Center.

1st Floor: Childcare room and Fire control room.

Building # 7: (Three Storied).

Ground Floor: Office.

1st Floor: Office, Showroom.

2nd Floor: Office.

Building 8 to 13: Another sister concern company (under same management and same owner).

Working Hours: Their normal working hour is 09:00 am to 06:00 pm but only stitching, finishing, HR, Admin and management work in this time (General Shift) rest of the departments (Weaving section, sizing section, dyeing section, Sample section, Security section, packing section) has three shifts from 06:00 am to 02:00 pm, 02:00 pm to 10:00 pm and 10:00 pm to 06:00 am. with including 01-hour Interval for rest or meal in each shift. Employees work regularly 48 hours per week. Friday is their weekly off day.

Time recording system: The factory maintains attendance records through electronic time keeping systems.

Salary payment details: Workers are paid monthly basis and the factory follows calendar month (1 to 30). Employees are paid through mobile banking system and it is done within seven working day after completion of a wage period.

Worker number information:

- Total worker number 836 (782 production and 54 management workers).
- Production worker number 782 (570 male and 212 female workers).
- Vulnerable worker number: 02.
- Any other special group workers: None.

The factory formed workers' participation committee through election process on 15th November 2023. There is total 14 members in the current committee, 10 (male 07 and female 03) from worker representatives and 04 from management representatives (male 03 and female 01). A Long Cutting Operator (male) has been elected by the workers as vice president.

Circumstances: Auditors entered the facility and the short opening meeting was conducted with the management to introduce the audit team and describe the audit process. Right after the short opening meeting, the audit team went out for a site/plant visit with permission for photography and workers' interview from the management. After returning from the plant tour, the audit team did a detailed opening meeting to describe detailed information about amfori BSCI. It was also communicated that workers will be interviewed in private, detailed document checking and a payroll record review shall be carried out. Confidentiality of all information was guaranteed by the auditor. All management staff remained with the assessment team throughout the assessment process and was very cooperative throughout the assessment process.

Summary of findings: [PA stands for Performance Area]

There are findings in PA 1- Social Management System (1.1), PA 2- Workers Involvement and Protection (2.3 and 2.5), PA 4- No Discrimination (4.1 and 4.2), PA 5- Fair Remuneration (5.4 and 5.5), PA 7- Occupational Health and Safety (7.1, 7.6, 7.10, 7.17 and 7.19) and PA 13- Ethical Business Behaviour (13.1).

Living wage calculation: Living wage was taken from GLWC website were (based on the Anker Methodology).

Precautions taken about #COVID-19 in the facility: The factory has taken precautionary measures regarding covid- 19: thermal checking for all employees and visitors, regular trainings to all employees for covid- 19 precautions, sanitization of the factory regularly, covid- 19 awareness poster was found available in different areas in the facility.

Special Notes:

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

No Govt. waiver is available.

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

The factory does not have any "Dormitories"; hence uploading pictures related to dormitory is not applicable.

The client mentioned number of employees as 874 in the initial questionnaire and during audit it was found 836, as some of the employees have left job; and it does not change the audit man-days.

SITE DETAILS

Site
ACS Towel Limited

Site amfori ID
050-000039-002

GICS Classification

Sector
Consumer Discretionary

Industry Group
Consumer Durables & Apparel

Industry
Textiles, Apparel & Luxury Goods

Sub Industry
Textiles

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

N.A.

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	812	Workers
Legal minimum wage in local currency	5,710	Monthly
Lowest wage paid for regular work at the site	7,000	Monthly
Calculated living wage in local currency	19,255	Monthly
Total sample	35	Workers

Other Metrics

Male workers	599	Workers
Female workers	213	Workers
Permanent workers - Male	570	Workers
Permanent workers - Female	212	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Management - Male	42	Workers
Management - Female	12	Workers
Apprentices - Male	0	Workers
Apprentices - Female	0	Workers
Workers on probation - Male	0	Workers
Workers on probation - Female	0	Workers
Workers with night shift - Male	506	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	612	Workers
Workers hired directly - Female	224	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	2 Workers
Sample - Male	25 Workers
Sample - Female	10 Workers

FINDINGS



PA1: Social Management System

Site: ACS Towel Limited | Site amfori ID: 050-000039-002

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

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 in other Performance Area. [As per amfori BSCI CoC]



PA 2: Workers Involvement and Protection

Site: ACS Towel Limited | Site amfori ID: 050-000039-002

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

Through documents review as well as interview with the management and workers, it was noted that though the factory management has a process to provide training and awareness program to the workers and workers representative, but lack of awareness was identified about workers' rights, standard living wage, earn leave, job description etc. among around 25% workers. [As per amfori BSCI CoC]

Question: 2.5 Is there satisfactory evidence that the auditee has established, or participates in, an effective operational-level grievance mechanism for individuals and communities?

ENGLISH

Finding

Through documents review as well as interview with the management and workers, it was noted that though the factory has developed grievance procedure for its employees but the factory did not record the grievance recorded from phone calls. Beside proper satisfaction survey on grievance mechanism was not conducted yet in the factory. [As per amfori BSCI CoC]



PA 4: No Discrimination

Site: ACS Towel Limited | Site amfori ID: 050-000039-002

Question: 4.1 CRUCIAL: Is there satisfactory evidence that the auditee takes the necessary measures to avoid or eradicate discrimination in the workplace?

ENGLISH

Finding

Through management interview and documents review it was noted that (a) factory management did not conduct any internal assessment to identify the most frequent grounds used for discrimination as well as most common activities through which discrimination may occur. (b) Though no discrimination found in the factory, but the factory management didn't develop a mechanism to identify the root cause of discrimination behaviors (if any).

Question: 4.2 Is there satisfactory evidence that the auditee takes the necessary preventative and/or remedial measures to ensure workers are not disciplined, dismissed or otherwise discriminated against because of their complaints against infringements of their rights?

ENGLISH

Finding

Through documents review as well as interview with the management and workers, it was noted that though the factory has developed policy and procedure for 'No Discrimination' in work place; but the conducted satisfaction survey on discrimination and harassment was not done in satisfactory way in the factory. [As per amfori BSCI CoC]

PA 5: Fair Remuneration

Site: ACS Towel Limited | Site amfori ID: 050-000039-002

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

It was noted that, through documents review and management and employee interview it was found that the factory has estimated the decent living wage; but the factory was paying the remuneration lower than the decent living wage calculated by GLWC for the region 19255 (outside Dhaka city). Evidence from remuneration record reviews and worker interviews it was found that around 78% of the total employees are getting that lower than BDT 19255 as per GLWC. [As per amfori BSCI CoC].

Question: 5.5 Is there satisfactory evidence that the auditee provides workers with the social benefits that are legally granted?

ENGLISH

Finding

Unpaid annual leave amount not paid to the existing workers who have not enjoy annual leave. But only

Finding

resign workers get these benefits. Furthermore, facility management does not have any policy, or they did not share it with worker. [Bangladesh Labour Rules 2015, Rules 107 (2)]

PA 7: Occupational Health and Safety

Site: ACS Towel Limited | Site amfori ID: 050-000039-002

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

ENGLISH

Finding

Through plant tour, documents review as well as interview with the workers and management, it was noted that 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.

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

During plant tour below PPE related issues were identified around 35% dyeing workers were not using hand gloves while working at dyeing section.

[Reference: Bangladesh Labour Rules 2015, Rules 67 (2)]

Question: 7.10 Is there satisfactory evidence that the auditee has and properly uses procedures and systems for reporting and recording occupational accidents and injuries?

ENGLISH

Finding

Through documents review and management interview, it was noted that a) the factory has recorded injury but investigation to identify root cause of the injuries were not done properly and b) there was no proper procedure in place for reporting and giving awareness training on near misses (incident that could have been turned into accident).

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

During factory visit it was found that, around 20% machines (overlock) eye safety guard of sewing machine

Finding

found missing at sewing section. [Bangladesh Labour Rules 2015, Rules 64]

Question: 7.19 Is there satisfactory evidence that the auditee has emergency procedures, in writing, to deal with cases of trauma or serious illness?

ENGLISH

Finding

Through documents review as well as interview, it was noted that through the factory has a policy and procedure or system to deal with cases of trauma or serious illness, but the interviewed workers (around 16 out of 35) were not found knowledgeable regarding this.

PA 13: Ethical Business Behaviour

Site: ACS Towel Limited | Site amfori ID: 050-000039-002

Question: 13.1 Is there satisfactory evidence that the auditee actively opposes any act of corruption, extortion or embezzlement, or any form of bribery in its activities as a business enterprise?

ENGLISH

Finding

Through documents review as well as interview with employees and management, it was noted that the factory has identified the possible areas of potential risks where corruption and bribery may happen. But there was lack of sufficient training covering all employees of identified potential risky areas. [as per amfori BSCI CoC]