

Monitoring result for Apex Fashion Wear Limited on site Apex Fashion Wear Limited

Monitoring

Monitored Party : Apex Fashion Wear Limited
amfori ID : 050-001189-000
Site : Apex Fashion Wear Limited
Site amfori ID : 050-001189-002
Address : B-50/3, Kalampur, Chandora, Kaliakoir,
: 1750, Gazipur
: Dhaka
: Bangladesh
Monitoring Activity : amfori Social Audit - Manufacturing
Monitoring Type : Full Monitoring
Monitoring Partner : TÜV NORD CERT GmbH
Monitoring Start Date : 14/02/2023
Closing Meeting : 15/02/2023
Finished Date :
Submission Date : 27/02/2023
Expiration Date : 27/02/2025

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Overall rating



Section rating

PA1: Social Management System	C
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	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

Apex Fashion Wear Limited (Site amfori ID: 050-001189-002)

This 'Full Monitoring' was conducted by a team of three auditors [Md. Muftadeul Islam (RA21704231), Sohalur Rahman Mazumder (RA21700864) and Bodrudduja Chowdhury (ASCA21704455)] of TÜV Nord CERT GmbH on 14th & 15th February 2023. Three auditors were present on 1st day and two auditors were present on 2nd day. This was a "Semi Announced" audit as scheduled by the RSP Holder. The auditors verified the factory's operations against the amfori BSCI Code of Conduct and local legislative requirements.

Location: Ward no. 6, B-50/3, Kalampur, Chandora, Kaliakoir, Gazipur - 1750, Bangladesh.

Manpower: There are total 4880 employees working in the facility amongst them 2196 are male and 2684 are female employee. Amongst this total number 4424 are the employees who are directly engaged with direct production. Factory has 456 non-production employees.

Product and capacity: The factory is manufacturing knit garments. The production capacity is 20,00,000 pieces per month.

Production process: Raw material > knitting > cutting > printing > embroidery > sewing > finishing.

Factory layout: There are two factories inside the premises; Apex Fashion Wear Limited (AFWL) and Apex Lingerie Ltd. (ALL) both are under same management and owner.

The building and sheds are as follows:

Building 01: 9 storey.

Ground Floor: Knitting section and store; narrow fabric department (ALL).

1st floor: Dining hall, canteen, training room, office area; narrow fabric department (ALL).

2nd floor: Sewing section, store area, finishing section, packing area, maintenance room, spot room, accessories store, finished goods store and office area.

3rd floor: Sewing section, cutting section, fusing machine area, spot room, piping section, fabric store.

4th floor: Finished goods store, CAD, sample section, office area and temporary left over store.

5th floor: Store area, temporary left-over store, idle machine store.

6th floor: Store area, temporary left-over store.

7th floor: Printing section, heat press area, chemical sub store, office area, fabric store, around 50% area vacant.

8th floor: under renovation area.

Roof top: Vacant.

Building 03: 2 storey.

Ground floor: Generator and electrical substation.

1st floor: Chiller room.

Roof top: Cooling tower, 50% vacant.

Building 03: 3 storey.

Ground floor: Fire hydrant room, fire control panel, central workshop, utility office, fabrication workshop.

1st floor: IE solution department, utility store.

2nd floor: staff dining and kitchen.

Roof top: 100% vacant.

Building 04: RMS room, transformer room.

Building 05: Transformer room.

Building 06: Security room.

Building 07: Boiler room.

Building 05: Security room, waiting room.

Shed 01: Medical room, day care, processing hall (AAL).

Shed 02: Yarn store and office (AAL).

Shed 03: Construction office.

Shed 04: Oil store.

Shed 05: Fire hydrant and fabrication workshop.

Shed 06: Wastage area.

Shed 07: Carpenter store.

ETP area.

Factory's normal working hour start from 08:00 am to 05:00 pm. Employees are allowed for one-hour break in 3 shifts i.e., 12:30 pm to 01:30 pm, 01:00 pm to 02:00 pm and 01:30 pm to 02:30 pm. Kitting, printing and security section (recruited by the factory) run by three shifts in a day: 06:00 am to 02:00 pm; 02:00 pm to 10:00 pm; 10:00 pm to 06:00 am. They maintain attendance records through electronic time keeping systems. Employees work regularly 48 hours/week. Friday is their weekly holiday.

Opening meeting: 14th February, 2023

Auditors:

Mr. Md. Muftadeul Islam- Lead Auditor
Mr. Sohalur Rahman Mazumder- Auditor
Mr. Bodrudduja Chowdhury- Auditor

Factory Representatives:

Mr. Harun Or Rashid – DGM – Compliance
Mr. Showkat Akbar - Manager – Admin,
Mr. Maien Uddin – Deputy Manager – Compliance,
Mr. Boktear Uddin – Senior Executive,
Ms. Shomeya Akhter – Executive Welfare,
Mr. Md. Samiul Islam – Senior Executive,
Mr. Abdullah Al Maruf – Executive,
Mr. Azibul Haque – Deputy Manager,
Mr. Mr. Shajahan Sarkar - Joint Secretary - Union

A visit of the plant was made (with seeking permission for photography). The lead auditor explained the audit purpose and scope to the management team. 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.

Documentation:

- Certificate of incorporation: C-35772(72)/98 which was issued on 08th July 1998.
- Factory license: 18023/Gazipur (L) which was valid up to date on: 30 June, 2023.
- Trade license no.: Issued by Kaliakoir Municipality (license no# 62207) which was valid till 30 June, 2023.
- Fire license no.: DD/Dhaka/25645/2015 covering 968773.27 sq ft area, which was valid till 30 June, 2023.
- Drinking water test: Last test performed on 17th May 2022 from Bangladesh University of Engineering and Technology.

Mr. Maien Uddin – Deputy Manager – Compliance is responsible for compliance with the code. Factory has translated amfori BSCI Code in local language and posted them at prominent locations.

50 permanent employees were randomly selected from different production section for interview. Factory management has provided payroll records and time record for auditor's review from the starting month of the factory. On sample basis payroll records and time cards of the month of January 2023 (most recent paid month), October 2022 (random month) and March 2022 (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: At the end of the audit process, on 15th February, 2023; a closing meeting was held to discuss various issues observed during the audit.

Auditors:

Mr. Md. Muftadeul Islam- Lead Auditor
Mr. Sohalur Rahman Mazumder- Auditor

Factory Representatives:

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Mr. Showkat Akbar - Manager – Admin,
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Mr. Azibul Haque – Deputy Manager,
Mr. Mr. Shajahan Sarkar - Joint Secretary - Union

Special Notes:

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

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

The client mentioned number of employees as 4800 in the initial questionnaire and during audit it was found as 4880. It does not change the audit man-days.

Site Details

Site : Apex Fashion Wear Limited

Site amfori ID : 050-001189-002

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

N.A.

Metrics

Key Metrics

Total workforce	4572 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	19255 Monthly
Total sample	50 Workers

Other Metrics

Male workers	2058 Workers
Female workers	2514 Workers
Permanent workers - Male	1640 Workers
Permanent workers - Female	2642 Workers
Temporary workers - Male	0 Workers
Temporary workers - Female	0 Workers
Seasonal workers - Male	0 Workers
Seasonal workers - Female	0 Workers
Management - Male	556 Workers
Management - Female	42 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	207 Workers
Workers with night shift - Female	0 Workers
Workers with disabilities - Male	7 Workers
Workers with disabilities - Female	5 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	2196 Workers
Workers hired directly - Female	2684 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	32 Workers
Workers on parental leave - Male	0 Workers
Workers on parental leave - Female	0 Workers
Sample - Male	23 Workers
Sample - Female	27 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 in other Performance Area. [As per amfori BSCI CoC]

Through documents review as well as interview with management, gap was identified in proper mapping of their suppliers. The factory has identified and prepared a list of 6 suppliers but during the audit some more suppliers were identified. Amfori BSCI code of conduct & terms of implementation and proper monitoring of the status of the suppliers were not ensured for all. [As per amfori BSCI CoC]

PA 2: Workers Involvement and Protection

It was noted that; sampled interviewed 19 out of 50 workers were found not well informed regarding their overtime calculation, entitled leave, compensation for long term service etc.

Randomly checked the 15 out of 50 workers sampled workers and midlevel management of the factory were found not well aware about the requirements of BSCI Code of Conduct.

PA 4: No Discrimination

It was noted through workers and management interview that the factory management has conducted satisfaction survey on the grievance mechanism. But gaps were identified in conducting periodic satisfaction surveys on harassment and discrimination to their workers yet. [As per amfori BSCI CoC]

PA 5: Fair Remuneration

It was noted through management interview that the factory management did not take initiative to provide living wages to the employees; although they are ensuring minimum wage as per law. Noted that living wages of the region is BDT 19,255 (as per Global Living Wage Coalition) and minimum wages is BDT 8,000 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) though 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) the provided child care room wasn't found in well-equipped manner and appointed person was not properly qualified.

Through documents review as well as interview, it was noted that 3 out of 5 interviewed fire fighters found not properly well aware about firefighting knowledge e.g. types of fire and fire extinguishers, use of fire equipment, location of fire equipment etc.

During factory visit lack of monitoring on PPE use was observed. 2 cutter men found not using hand gloves while working, 2 cutter men were working in ben knife machines using gloves in one hand. 1 out of 3 employees were using torn gloves in the workshop area.

Although the factory has developed emergency policy and procedure but responsible persons was found less aware on the emergency system which does not ensure a functioning system for accident and emergency procedures in the premises to ensure better health and safety system. [As per amfori BSCI CoC]

a) The factory is storing diesel more than 2000 liter in the premises for which permission from 'Department of Explosives' but the factory did not receive that yet. However, it has applied to the authority on 15 December 2022. b) the factory is using some acids (Sulfuric acid, hydrochloric acid) for production processes but did not receive the license from the concerned authority yet. However, it has applied to the authority on 15 December 2022.

PA 10: No Precarious Employment

Through documents review as well as interview, it was noted that a) the factory did not maintain updated age verification form and nominee form as per local requirement (Bangladesh Labour Rules 2015).

PA 12: Protection of the Environment

Although factory has assessed the 'Environmental Impact Assessment' by a service providing company on January 2017. But changes have observed on the production plan, utility and natural resource consumption patten. Hence, revised Environmental Impact Assessment is enquired for the factory.

PA 13: Ethical Business Behaviour

It was noted that the facility did not communicate anti-corruption policy with all of their business partners. In addition the factory di not introduce reward system for creating good example on ethical behavior. [As per BSCI CoC]