



Varner Retail Bangladesh

Audit Report

Supplier Name	Bea Con Knit Wear Ltd.
Factory Name	Mercer Design Tex Ltd.
Audit Date	08-November-2018
Type of Audit	Follow Up
Conducted By	Md. Jibon Mridha

AUDIT RATING	MEDIUM RISK
AUDIT COMMENTS	The methods and records observed during the audit do not meet the COC standards. Some corrective actions must be carried out on the factory.

No.	Type of Audit & Date Initial / Follow up	Rsik Rating	Issues / Observation	Status
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1. FORCED LABOUR				
1.1	Follow Up 08-November-2018	Compliant	0	N/A

2. FREEDOM OF ASSOCIATION				
2.1	Follow Up 08-November-2018	Compliant	0	N/A

3. CHILD LABOUR				
3.1	Follow Up 08-November-2018	Compliant	0	N/A

4. DISCRIMINATION AND DISCIPLINE				
4.1	Follow Up 08-November-2018	Compliant	0	N/A

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No.	Type of Audit & Date Initial / Follow up	Rsik Rating	Issues / Observation	Status
5. HEALTH AND SAFETY				
5.1.3	Follow Up 08-November-2018	Medium Risk	<p>The facility management did not ensure full time Registered Doctor inside the facility. However, if required the facility management has a practice of ensuring doctor from another sister concern named Metro Knitting & Dyeing Mills Ltd. (Factory-02) which is located approximately 2.5 Kilo Meter away from this factory.</p> <p>Follow Up Audit: Corrected.</p> <p>The facility management has recruited full time medical officer in the facility.</p>	CLOSE
5.4.1	Follow Up 08-November-2018	Medium Risk	<p>The facility management did not cover the drainage line close to worker's dining hall and prayer room which may cause injury to the workers.</p> <p>Follow Up Audit: Corrected.</p> <p>The facility management has ensured drainage line coverage at all respective areas.</p>	CLOSE
5.6.1	Follow Up 08-November-2018	Medium Risk	<p>The facility management did not take the Building Construction Approval from the respective Department. Note that, the facility management has taken the construction approval from the Local Union Parishad Chairman. Note that, according to Veritas Report on behalf of ILO the status of building is Green.</p> <p>Follow Up Audit: Not Corrected.</p> <p>Still the situation is same as earlier.</p>	OPEN

No.	Type of Audit & Date Initial / Follow up	Rsik Rating	Issues / Observation	Status
5.6.4	Follow Up 08-November-2018	High Risk	<p>01 out of 02 stair's Hand rail gap of the main building is high which may cause the reason for accident.</p> <p>Follow Up Audit: Corrected.</p> <p>The facility management has reduced the gap of the mentioned stair and now the hand rail is safe.</p>	CLOSE
5.7.2	Follow Up 08-November-2018	Medium Risk	<p>Approximately 10% workers those who were working with chemical were not using respective PPE (Personal Protective Equipment) on printing section and exposure room. Besides, the provided ear muff of Generator room was not appropriate as the provided Ear muff could not resist sound properly.</p> <p>Follow Up Audit: Corrected.</p> <p>All the workers were using respective PPE and the facility management has ensured appropriate ear muff for the generator operator.</p>	CLOSE
5.9.7	Follow Up 08-November-2018	Medium Risk	<p>The facility management did not ensure sprinkler system on the main building. Besides, the installed Fire-resistant doors are not commissioned yet. However, the materials of sprinkler system has brought to the facility but installation process has not been started yet.</p> <p>Follow Up Audit: Corrected.</p> <p>The facility management has installed sprinkler system and fire resistant door in all respective areas.</p>	CLOSE

No.	Type of Audit & Date Initial / Follow up	Rsik Rating	Issues / Observation	Status
5.9.8	Follow Up 08-November-2018	Medium Risk	<p>The facility management did not ensure the addressable smoke detection system inside the facility. However, the facility management is working to install the same and approximately 80% installation process has been completed and also they have ensured manual smoke detector throughout the facility.</p> <p>Follow Up Audit: Corrected.</p> <p>The facility management has completed the installation process of functional addressable smoke detection system.</p>	CLOSE
5.12.2	Follow Up 08-November-2018	High Risk	<p>Shed 03 (Workers dining hall) and Shed 04 (Prayer room) and ETP area of the facility are not covered under the coverage of existing fire license.</p> <p>Follow Up Audit: Corrected.</p> <p>The facility management has ensured fire license coverage for all respective areas.</p>	CLOSE

6. COMPANSATION

6.2	Follow Up 08-November-2018	High Risk	<p>Approximately 10-15 Assistant Operator in Heat Press Machine and Curing Machine were working as Operator as a result these workers are not being provided the designation which they deserve according to the nature of work and also not getting the minimum wages according to their grade as well.</p> <p>Follow Up Audit: Corrected.</p> <p>The facility management has promoted all the assistant operators according to their nature of work.</p>	CLOSE
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7. WORKING HOURS

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No.	Type of Audit & Date Initial / Follow up	Rsik Rating	Issues / Observation	Status
7.2	Follow Up 08-November-2018	Medium Risk	<p>The working hour status of the sampled workers does not meet the requirements. The working hour status as follows:</p> <p>a. July-2017: Total working hour (Regular + Overtime) found 61 hours to 72 hours weekly. 05 out of 05 sampled workers (Printing Section) worked highest 72 hours in a week.</p> <p>b. August-2017: Total working hour (Regular + Overtime) found 61 hours to 67 hours weekly. 02 out of 05 sampled workers (Printing Section) worked highest 67 hours in a week.</p> <p>c. September-2017: Total working hour (Regular + Overtime) found 61 hours to 68 hours weekly. 01 out of 05 sampled workers (Printing Section) worked highest 68 hours in a week.</p> <p>Follow Up Audit: Not Corrected.</p> <p>The working hour status of the sampled workers does not meet the requirements. The working hour status as follows:</p> <p>a. September-2018: Total working hour (Regular + Overtime) found 61 hours to 66 hours weekly. 05 out of 15 sampled workers (Printing Section) worked highest 66 hours in a week.</p> <p>b. August-2018: Total working hour (Regular + Overtime) found 61 hours to 65 hours weekly. 02 out of 05 sampled workers (Printing Section) worked highest 65 hours in a week.</p> <p>c. July-2018: Total working hour (Regular + Overtime) found 61 hours to 73 hours weekly. 01 out of 05 sampled workers (Printing Section) worked highest 73 hours in a week.</p>	OPEN

8. GENERAL TERMS AND CONDITIONS				
8.1	Follow Up 08-November-2018	Compliant	0	N/A

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No.	Type of Audit & Date Initial / Follow up	Rsik Rating	Issues / Observation	Status
9. ENVIRONMENT				
9.1	Follow Up 08-November-2018	Medium Risk	Follow Up Audit: New Findings: The facility management does not have any acid license for using acid inside the facility premises.	OPEN
9.7	Follow Up 08-November-2018	Medium Risk	Follow Up Audit: New Findings: Chemical store of the newly constructed shed is not properly organized. Besides, ventilation system of the mentioned area is not satisfactory.	OPEN
10. ANTI BRIBERY				
10.1	Follow Up 08-November-2018	Compliant	0	N/A

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