

Internal Audit Report (On-Site CAP)

Factory Information

Production Units

A.K.M. Knit Wear Ltd.

Al-Muslim Washing Ltd

Al-Muslim Garments Accessories Ltd.

Al-Muslim Yarn Dying Ltd.

Activity Information

Supplier Unit: Pacific Blue (Jeans Wear) Ltd.

Audit Type: Internal Audit (Initial)

Audit Shadow by Mokhesur Rahman Babu (C&A)

Audit Date: 22th & 23rd January, 2020

Auditors: 1. Ms. Rekha Pervin-Lead Auditor 2. Md. Rajib Hossain 3. Md. Anwar Hossain
4. Md. Iqbal Hossain 5. Md. Rokibul Islam

Production Units Audit Report Summary

SN	CoC	Details of Deficiency	Root Cause	Corrective Action Plan	Responsible Person	Due Date
1	Compliance with legal regulations	Based on the document review it was noticed that ECC of captive power plant of AKM Knit Wear Ltd. has been expired at 20/10/2019. However the PU has already applied to renew on 07-10-2019. Diesel use permission has been expired on 31/12/2019 & the PU has already applied for renewal on 09/12/2019. Besides, the a boiler of AKM has been expired on 21/01/2020. However the PU has applied to renew on 15/01/2020.	1. Delay of Govt. authority 2. Lack of Proper monitoring.	1. To renew ECC of Captive power plant of AKM Knit Wear Ltd, we have already applied on 07-10-2019. For Diesel use permission we have applied on 09-12-2019. We have already Applied to concern authority for boiler & waiting for certificate. 2. Our dedicated concern person is monitoring regularlry.	Mr. Rasel Ahmed, AGM-HRC	Feb, 2020
2	Human Resource	Through workers interview, it was obseved that workers weren't well aware about the PC activities.	1. Inadequate training of concern HR & Compliance members. 2. Lack of dedicated HR trainers.	1. Right after the audit we have conducted meeting with our HR & Compliance team & instructed to conduct effective training with all workers regarding PC activities. 2. We have already assign dedicated trainers for awareness training.	Floor HR & Compliance Team Members	March, 2020
		Through workers interview, it was noticed that floor fire fighters & rescue team were not fully aware about the fire safety.	1. Lack of effective training 2. Lack of dedicated trainers for fire safety.	1. We have conducted meeting with our fire safety team & instructed to conduct effective training with all workers regarding fire safety. 2. We have already assigned floor wise dedicated trainers for awareness training on fire safety.	Mr. Rakib, Incharge (Fire Safety Officer) Floor HR & Compliance Team Members	Feb, 2020
3	Wage	No Issues have been identified.	N/A	N/A	N/A	N/A
4	Working Hours	During documents review it was noted that weekly working hour exceeds the limit of 60 hours/week where highest weekly working hour found 72 Hours in October 2019 & 70.45 Hours in Dec 2019	1. Lack of unplanned production schedule & not maintain proper communication with pay roll, HR, IE & concern team. 2. Due to unplanned lay out system. 3. Not follow efficient work methods	1. Day after the audit we sat together with the top management including planning team, merchandiser team, payroll & HR to execute order as per as our capacity & considering the standard level of working hours & maintain good communication with all team. 2. To increase efficiency & production we also change our existing layout system. 3. We have also trained up the workers of critical process to increase their skillness. Besides we have installed special machines.		April, 2020

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5	Child Labour	No Issues have been identified.	N/A	N/A	N/A	N/A
6	Discrimination	No Issues have been identified.	N/A	N/A	N/A	N/A
7	Remuneration, Compensation & Benefit	No Issues have been identified.	N/A	N/A	N/A	N/A
8	Forced Labour	No Issues have been identified.	N/A	N/A	N/A	N/A
9	Freedom of Association	No Issues have been identified.	N/A	N/A	N/A	N/A
10	Harassment & Abuse	No Issues have been identified.	N/A	N/A	N/A	N/A
		Based on the floor visit it was observed that aisles & arrow marks were faded at the 10th floor Store, Worker's dining area and ground floor of washing section. Besides, arrow marks were missing at ground floor of R&D Building.	1. Due to lower quality of paint. 2. Lack of proper follow up	1. We have already instructed to local purchase team to purchase good quality painting materials. Besides, Now we are starting set up permanent aisles & arrow tiles in the floor. 2. We have also conducted a meeting with the HR & Compliance team to increase our monitoring activities on regular basis.	Floor HR & Compliance Team Members	Feb, 2020
		The holding box of Fire Extinguisher was not enough safe mood at Jamuna floor & a fire extinguisher was over pressure at Padma Floor.	1. Lack of proper follow up 2. Due to negligence of fire safety Team.	1. To ensure standard pressure of every fire extinguisher we conducted an awareness training with the fire fighter team to check all the fire extinguishers regularly. 2. Our fire Safety team is now checking all fire extinguishers on regular basis	Mr. Rakib, Incharge (Fire Fighter)	Feb, 2020
		During the floor visit it was noted that alomot 5% button workers were working without using PPE (goggles) at Titash & Padma Floor, about 5% iron man were working without using hand gloves, about 10% overlock operators weren't using face mask in several areas of the production floor.	1. Due to negligence of workers 2. Lack of awareness 3. Lack of proper monitoring	1. We conducted an awariness training with the workers to make them more conscious about the drawbacks for not using the proper ppe. 2. We are aslo conselling workers to use PPE & increased our monitoring activites. 3. Besides our dedicated HR & Compliance team are monitoring regularly.	Floor HR & Compliance Team Members	April, 2020
		During the site tour it was observed that about 2% sewing machine's needle guard were displaced at Jamuna, Padma, Titas, Tista & Meghna floors.	1. Due to negligence of workers 2. Lack of awareness 3. Lack of proper monitoring	1. We conducted an awariness training with the workers to make them more conscious about the bad impact for not using the proper ppe. 2. Besides, we have increased our monitoring activites and counselling to keep needle guard in the right position.	Floor HR & Compliance Team Members	March, 2020

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11	Health & Safety	During floor visit it was noticed that food box were kept near to toilet area where it should keep distance minimum 6 meter at titash floor.	1. Lack of understanding 2. Lack of follow up	1. Right after the audit we have relocated that food box and maintained minimum distance for food box. 2. We have checked all areas & instructed concern person to monitor regular basis.	Floor HR & Compliance Team Members	Immediately
		It was noticed that Emergency fog light was not adequate at 10th floor in finishing section.	1. Due to new set up floor (The floor was under construction)	An awareness meeting has been conducted with the electrical department to check all areas & sufficient number of IPS lights have already been ensured at the finishing section of 10th floor.	Floor Responsible Electrician	10-Feb-20
		It was identified that responsible person, Danger sign and First Aid instruction was not attached on the Electrical Sub Distribution Board at Electrical Sub Station.	1. Due to proper follow up 2. Due to negligence of Electrician	We have ensured all requirements for SDB. Besides, We conduct meeting with electrical department to ensure standard for all electrical Sub distribution Board. 2. We have strongly instructed all electricians to check all DB boards & ensure require standard.	Mr. Imam (Sr. Manager-Electrical & Utility)	Immediately
		During the floor visit it was noticed that garments were staked in WIP at Padma & Titash Floors.	1. Lack of awareness of concern persons. 2. Lack of proper monitoring of HR & Compliance Team	1. To maintain standard and ensure safety workplace we sat together with the production staff to make them more aware about the bad impact of dumping in production floor and instructed to keep the garments within minimum height. Now they are keeping accordingly. 2. We have already instructed concern to HR & Compliance Team members to keep monitoring regularly this issue.	Floor HR & Compliance Team Members	Feb, 2020
		During site visit it was noted that fabrics kept in excessive height at central fabrics store, however PU installing Rack for fabric store	1. Due to insufficient space. 2. Lack of awareness.	1. To keep the fabrics within standard limit, we have conducted meeting with the top management to install the racking system within this month. 2. To make more aware about the negative impacts of excessive height we conducted awareness training with the store's staff and instructed to ensure standard height limit at all storage.		June, 2020
		During floor visit it was identified that workers weren't working with proper PPE during chemical handling at washing section and construction workers were not using proper PPE.	1. Due to negligence of the chemical users & construction workers 2. Lack of proper monitoring	1. To ensure PPE in the workplace, we have conducted awareness training with the concern chemical users and construction workers, now they are using proper PPE in their workstation. 2. To ensure workers safety our dedicated HR & Compliance team members are always monitoring the workstation.	Mr. Helal (Asst Manager-HRC)	Feb, 2020

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12	Regular Employment	No Issues have been identified.	N/A	N/A	N/A	N/A
13	Grievance Mechanism	No Issues have been identified.	N/A	N/A	N/A	N/A
14	Environment	From the document review it was noticed that Ply Board & Wood were not included to the Waste Inventory.	1. Lack of understanding 2. Lack of follow up	1. Immediate after the audit dedicated EMS responsible person has already been included Ply boarded & wood to the inventory list. 2. To ensure accurate inventory management, our EMS team have increased their monitoring activities strongly.	Mr. Rashed Sr. Executive	Corrected
		During site tour it was noted that construction Garbage was kept at non designated area (Infront of Utility Building)	1. Due to Unplanned Construction. 2. Lack of follow up 3. Due to poor management system	1. We have already kept garbage at designated area. Besides, we sat together with the top management to make a proper plan for construction work & specify waste designated area to keep the wastes. 2. We have also conducted an awareness training with the concern persons to keep the waste at designated area. Besides our HR & Compliance team & EMS team are monitoring on regular basis.	1. Mr. Helal (Asst Manager-HR & Com) 2. Mr. Rasehd (Senior Executive-HR & Compliance)	30-Jan-20
		It has been found that some of pictograms were not in proper coloured although PU are changing those pictograms with proper coloured.	1. Lack of understanding 2. Lack of follow up	1. Right after the the audit we have ensured proper coloured pictogram and conduct an awareness training with the concern EMS reponsible about this issue. 2. We have strongly instructed to concern persons to monitor regular basis to ensure proper chemical safety.	Mr. Rashed Sr. Executive-HR & Compliance	March, 2020
15	Ethical Standard	No Issues have been identified.	N/A	N/A	N/A	N/A
16	Disciplinary Action	No Issues have been identified.	N/A	N/A	N/A	N/A
17	Termination & Retrenchment	No Issues have been identified.	N/A	N/A	N/A	N/A
18	Sustainable Compliance	No Issues have been identified.	N/A	N/A	N/A	N/A

PU Team Leaders
Name & Sign

Cap Supervised By
Executive Director