

# Monitoring result for Thermax Colour Cotton Ltd. on site Thermax Colour Cotton Ltd.

## Monitoring

Monitored Party : **Thermax Colour Cotton Ltd.**  
amfori ID : **050-002100-000**  
Site : **Thermax Colour Cotton Ltd.**  
Site amfori ID : **050-002100-001**  
Address : **Karardi, Kararchar, Shibpur**  
: **1620, Narsingdi**  
: **Dhaka**  
: **Bangladesh**  
Monitoring Activity : **amfori Social Audit - Manufacturing**  
Monitoring Type : **Full Monitoring**  
Monitoring Partner : **TUV Rheinland**  
Monitoring Start Date : **10/10/2022**  
Closing Meeting : **10/10/2022**  
Finished Date :  
Submission Date : **24/10/2022**  
Expiration Date : **24/10/2023**

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## Overall rating

A	B	C	D	E	None
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## Section rating

PA1: Social Management System	B
PA 2: Workers Involvement and Protection	A
PA 3: The Rights of Freedom of Association and Collective Bargaining	A
PA 4: No Discrimination	A
PA 5: Fair Remuneration	B
PA 6: Decent Working Hours	A
PA 7: Occupational Health and Safety	D

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

An announced full audit was conducted at "Thermax Colour Cotton Ltd." which is located Karardi, Kararchar, Shibpur, Narshingdi, Bangladesh. The auditee solely occupies the factory premises since the beginning of its establishment in 2016. Factory business licenses were found valid during audit, and it corresponds to the auditee's actual situation (company name, address, number of buildings, etc.). At present, there are 476 employees at the factory (including process workers, senior management members, mid-level management staff, administrative staffs, etc.). Orders from customers remain consistent around the year as reported by the Management. The company engaged in the manufacturing of all kinds of finish yarn items. "Thermax Colour Cotton Ltd." is a 100% export-oriented finish yarn manufacturing company with the process of fiber dyeing-spinning- finishing. Production capacity of the audited facility is 3600 ton per year.

Site Descriptions: The license corresponds with the actual situation with respect to company name, address and the number of buildings in which it operates.

The factory situated at industrial compound and total production area of the facility is 52775.88. Another 01 factory is situated at the same premises which are owned by same owners & management. Details of those factory's are given in below.

1. Thermax Color Cotton Ltd.- (Audited factory-Same owner & management)
2. Thermex Melange Spinning Mills Ltd. - (sister concern factory-Same owner & management)

Production Shed 1- Blow section, cake preparation, dryer section, hydro section, symplex section, ring section, auto cone section, maintenance room & dining.

Mezzanine floor: Dyeing section, Lab and office.

Building 1: Audited factory-Same owner & management

Ground floor: Packing section

1st floor: R&D

2nd floor: Guest room.

Roof top: Vacant.

Building 2: Sub chemical store. Audited factory-Same owner & management

Building 3: Thermex Melange Spinning Mills Ltd. Unit 1 and 2 - (sister concern factory-Same owner & management)

Building 4: Combinedly use

Ground floor: Generator.

1st floor: Boiler & chiller

Building 5: RMS room. Combinedly use

Building 6: Thermex Melange Spinning Mills Ltd. Unit 1- (sister concern factory-Same owner & management)

Building 7:

Ground floor: Thermex Melange Spinning Mills Ltd. Unit 1- (sister concern factory-Same owner & management)

1st floor: Office & conference room. Combinedly use

2nd floor: Management dinner. Combinedly use

Building 8: Officers quarter. Thermex Melange Spinning Mills Ltd. Unit 1-

Building 9: Officers quarter. Thermex Melange Spinning Mills Ltd. Unit 1-

Building 10: Mosque. Combinedly use

Building 11: Waste room. Combinedly use.

Building 12: Medical. Combinedly use by Thermex group

Building 13: Childcare. Combinedly use by Thermex group

Building 14: ETP. Combinedly use by Thermex group

Shed 2: Thermex Melange Spinning Mills Ltd. Unit 2- (sister concern factory-Same owner & management) & canteen-combindly use

Shed 3: Thermex Melange Spinning Mills Ltd. Unit 2- (sister concern factory-Same owner & management)

Shed 4 : Raw cotton store. Combinedly use.

Shed 5: Bonded warehouse. Combinedly use.

Shed 6: Generator & substation.

Shed 7: Workshop. Combinedly use.

Shed 8; Thermex Melange Spinning Mills Ltd. Unit 2- (sister concern factory-Same owner & management)

The facility has total 34 first aiders and 10 first aid boxes, 97 fire fighters, 75 ABC fire extinguishers, 45 CO2 fire extinguishers, 12 fire alarms call point and 04 staircases are there in the factory. No piece rated employee was working at the factory. The factory uses bank transfer for payment to the workers and other staffs/officers. Facility follows calendar months for calculations of monthly wages. All employees working time have been recorded by an mannual time keeping system. The facility remains open from Saturday to Thursday while Friday is a weekly day off. General working hours start from 8:00 AM to 5:00 PM including 01-hour personal break. There are three shifts for all production process starts from 6:00 AM to 2:00 PM, 2:00 PM to 10:00 PM and 10:00 PM to 6:00 AM including 1 hour break with rotational time.

Total 22 permanent employees (06 male and 16 female employees) were selected for working hour and wages analysis from different department of the factory. Sample months are September 2022, May 2022 and December 2021.

Audit Process: 03 auditors have completed the audit in one day (10 October 2022). After arrival, an opening meeting was held with the factory management and workers representatives where 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 October 2021 to till the audit date (recent 12 months).

For worker's interviews, the auditors selected workers from different production processes, different grades and different age groups. The confidentiality and comfort of the interviewees were ensured throughout all interviews.

Management Cooperation: Management of the factory was positive and supportive during the whole audit. Facility has agreed with all findings presented by lead auditor during closing meeting and signed on onsite findings report.

Audit Team and APSCA Registration Number:

Auditing Company name: TUV Rheinland Bangladesh Pvt. Ltd.

Lead Auditor: Ikbāl Hossain - RA 21701992

Member Auditor: Farjana Nahar- ASCA 21701687

Member Auditor: Jameer Osman Ahmad -RA 21704265

Remarks:

- i) Due to long distance auditors reached the facility after the initially planned time. However, the audit has completed following required man-days.
- ii) There was no trade union in the facility so collective bargaining agreements was not applicable.
- iii) There was no Dormitories for workers in the facility.
- iv) There was no Inconsistencies between time and production records.
- v) Facility has not provided original documents for Construction approval plan & Machine layout plan. Note that facility has provided photocopy of Construction approval plan & Machine layout plan.
- vi) It took 1 hour extra time to complete the audit because of facility large size factory and internet network problem.
- v) The facility use generator from sister concern facility.

Site Details

Site : Thermax Colour Cotton Ltd.  
Site amfori ID : 050-002100-001

GICS Classification

Sector	: Consumer Discretionary	Industry	: Textiles, Apparel & Luxury Goods
Industry Group	: Consumer Durables & Apparel	Sub Industry	: Textiles

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	<b>466</b> Workers
Legal minimum wage in local currency	<b>5710</b> Monthly
Lowest wage paid for regular work at the site	<b>5710</b> Monthly
Calculated living wage in local currency	<b>19255</b> Monthly
Total sample	<b>22</b> Workers

### Other Metrics

Male workers	<b>136</b> Workers
Female workers	<b>330</b> Workers
Permanent workers - Male	<b>143</b> Workers
Permanent workers - Female	<b>333</b> Workers
Temporary workers - Male	<b>0</b> Workers
Temporary workers - Female	<b>0</b> Workers
Seasonal workers - Male	<b>0</b> Workers
Seasonal workers - Female	<b>0</b> Workers
Management - Male	<b>10</b> Workers
Management - Female	<b>0</b> Workers
Apprentices - Male	<b>0</b> Workers
Apprentices - Female	<b>0</b> Workers
Workers on probation - Male	<b>0</b> Workers
Workers on probation - Female	<b>1</b> Workers
Workers with night shift - Male	<b>42</b> Workers
Workers with night shift - Female	<b>101</b> Workers
Workers with disabilities - Male	<b>0</b> Workers
Workers with disabilities - Female	<b>0</b> Workers
Domestic migrant workers - Male	<b>0</b> Workers
Domestic migrant workers - Female	<b>0</b> Workers
Foreign migrant workers - Male	<b>0</b> Workers
Foreign migrant workers - Female	<b>0</b> Workers
Workers hired directly - Male	<b>143</b> Workers
Workers hired directly - Female	<b>333</b> Workers
Workers hired indirectly - Male	<b>0</b> Workers
Workers hired indirectly - Female	<b>0</b> Workers
Unionised workers - Male	<b>0</b> Workers
Unionised workers - Female	<b>0</b> Workers
Workers under CBA - Male	<b>0</b> Workers
Workers under CBA - Female	<b>0</b> Workers
Pregnant workers	<b>3</b> Workers
Workers on parental leave - Male	<b>0</b> Workers
Workers on parental leave - Female	<b>2</b> Workers
Sample - Male	<b>6</b> Workers
Sample - Female	<b>16</b> Workers

## Findings

### PA1: Social Management System

Facility has develop social policy and procedure to implement amfori BSCI COC in its activities and assigned personnel for monitoring and implementing. Still some gaps were identified on implementation in some performance areas including management system, workers involvement and protection, fair remuneration, health and safety, Protection of the Environment and ethical business behavior etc.

Facility does not have relevant policy and procedure, risk assessment, trainings, systematic follow up, etc. on 'Infringement of Human rights at workplace or suppliers'

### PA 2: Workers Involvement and Protection

(i) The facility did not have documented strategic plan to achieve long term goals and objectives. (ii) Workers representative was not aware about the mission, vision, goals and objectives.

### PA 5: Fair Remuneration

The factory has collected few data for calculating living wage for this region but did not take proper step for calculating standard food basket, housing cost, education 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.

Through documents review and management interview it was noted that the facility's current employee strength is 476, but facility only can claim for 20 employees insurance coverage not more than in a year in case of emergency situation. According to local law facility should claim for all employees those are included under insurance coverage which is required to ensure workers financial security in case of a health emergency. [Reference: Bangladesh Labor (Amendment) Act, 2013, Section: 99(1)]

### PA 7: Occupational Health and Safety

Facility is in progress of complying health & safety rules and regulations. During audit gaps were noted related to worker generator smoke detector, health insurance coverage, risk assessment, PPE etc.

Through documents review and management interview it was noted that the facility's current employee strength is 476, but facility only can claim for 20 employees insurance coverage not more than in a year in case of emergency situation. According to local law facility should claim for all employees those are included under insurance coverage which is required to ensure workers financial security in case of a health emergency. [Reference: Bangladesh Labor (Amendment) Act, 2013, Section: 99(1)]

Following risk assessment related issues were noted during audit- i) Facility does not analyses safety risks that may be associated with stacking goods in excessive height at production floor. Note that during plant tour finished goods & raw cotton are stacked in excessive height at building 1 & shed 4. ii) Portable 5 Oxygen cylinders found in workshop area & near generator room. Facility did not conduct any risk assessment on CNG gas cylinder. iii) Facility did not complete risk assessment for crane, led machine & workshop area. [Reference: Bangladesh Labor Rules 2015, Schedule 4(2) B (1)]

The following PPE related findings were noted through site visit: a) 01 out of 01 boiler operator was not using earmuffs at boiler room during work b) 03 out of 10 ring machine operators were not using ear plugs during working time at production shed 1. [Bangladesh Labor rules 2015, Rules 67(2)]

MSDS, labeling and secondary containment were missing for machine oil, grease and chemicals in maintenance room, bonded ware house and store. [Reference: Bangladesh Labor Rules 2015, Rule 68 (10)]

Lightening protection system (LPS) was not installed in the factory buildings. [Reference: Building Construction Rules 1996, Rule 17(3)]

i) Uncovered & loose electrical wire found in the dryer section. & workshop. [Reference: Bangladesh Labor Rules- 2015, Rule-58 (7)] ii) Facility has no electrical wiring insulation test report form competent authority. [Reference: Bangladesh Labour Rules 2015, Rule 58(8)] iii) Ebonite sheet missing for 3 out of 8 electrical panel board at workshop area. [Reference: Bangladesh Labour Rules-2015, Rule 58 (7) iv) Rubber mat was missing for 4 out of 8 electrical panel board in blow room & workshop area. [Reference: Bangladesh Labour Law 2006, Section 63 (1) D (3)]

(i) Note that, factory had installed manual smoke detector, but it was missing in some areas production shed 1, building 1, 4 and 11. Moreover, randomly checked 2 out 4 manual smoke detector found inactive in packing area & workshop room. (ii) No public announcing system were found in entire facility. [Reference: Bangladesh labor law 2006, section 62(5)]

No exhaust fan inside workers toilet area was found as a result, bad smell observed near the workers toilet in the production shed 1. Moreover, sleeper and shop are found missing. [Reference: Bangladesh Labor Rules 2015, Rule- 86 (2)]

## PA 7: Occupational Health and Safety

Facility has 03 operations shifts for all employee. But facility did not ensure any transportation system to the female employee. According to the local law if female worker is to be made to work between 10 o'clock at night and 6 o'clock in the morning facility need to be provided the necessary transportation system along with security. [Reference: Bangladesh Labor Rules 2015 Amendment 2022, Rules 103 (1)]

## PA 12: Protection of the Environment

Waste like empty chemicals drums, broken wood, and construction materials were not segregated by type of hazard and were found in open place. [Reference: Bangladesh Labour Law 2006, Section 54]

## PA 13: Ethical Business Behaviour

Facility did not have any policy or procedure for workers personal data protection, exchange and handling etc.