

FLOCERT Closing Report
AO-49033

FLOID: 37103
Operator Meghna Knit Composite Ltd
Auditor: Sharma Deepak
Co-auditor:

Trader SCORE
Remote Focused Audit

Number	Compliance Criterion	Criteria Type	Non-conformity identified during the audit	Corrective Measure suggested by the organisation / company during the closing meeting	Objective Evidence suggested by the auditor
1.1.0.05 NSF Checklist TC	(Does not apply to entities that do not fall into the scope of certification) Your additional entities where Fairtrade activities take place comply with the definition of additional entity and are registered with FLOCERT (see Scope of Certification on the FLOCERT website).	Core	Some of the additional entities that are used to handle Fairtrade products are not registered with FLOCERT OR do not comply with the AE definition. Auditor comment - Company has started using Meghna Knit Composite Ltd., Baimail, Kashem Cotton, Konabari, Gazipur, Bangladesh for Knitting & yarn storage from 21/9/2019. However, this unit is not registered with FLOCERT	We shall get in touch with FLOCERT and get this new AE registered with FLOCERT	



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<p>1.1.0.06 NSF Checklist TC</p>	<p>You have a contract with each additional entity that is not 100 % owned by the master operator that requires compliance with the respective Fairtrade Standard, stating that FLOCERT is authorized to conduct on-site audits of the additional entity (does not apply to entities that do not fall into the scope of certification or have their own FLOCERT certification).</p>	<p>Core</p>	<p>There are no contracts. Auditor comment - Company is having AE Epyllion Fabrics which is not 100% owned by the company. However, there is no agreement with them as per the CC</p>	<p>We shall get the agreement done as per the CC</p>	
<p>1.1.0.09 NSF Checklist TC</p>	<p>Products sold as Fairtrade, not in consumer-ready packaging, are only sold to Fairtrade traders with a valid certification or permission to trade for the relevant product category issued by FLOCERT or the responsible National Fairtrade Organization (Japan, Australia and New Zealand).</p>	<p>Core</p>	<p>No. Auditor comment - Company is selling their products to Dressman (FLO ID 36974) which is an AE for Varner (FLO ID 36944)</p>	<p>We shall discuss this with Varner and ensure sales are done to Varner, going forward</p>	



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<p>1.1.0.17 NSF Checklist TC</p>	<p>(Applicable to all non-payers as of Q1 2019) You fulfill the following responsibilities in the assurance tool Fairtrace: 1) You report your Fairtrade sales OR declare nothing to report (deadline: 30 calendar days after the end of each quarter) 2) You verify your Fairtrade purchases that have been reported by your suppliers (deadline: 30 calendar days after transaction has been reported) 3) You ensure that all transactions, reported or verified, are correct.</p>	<p>Core</p>	<p>Not all transactions are reported / verified OR transactions are not correct. Auditor comment - Company has not completed their sales reporting on the Fairtrade. Also, 2 purchases have not been reviewed</p>	<p>We shall get this completed soon & if required, we shall get in touch with FLOCERT for the same</p>	
<p>1.3.0.01 NSF Checklist TC</p>	<p>All non-conformities of the previous audit have been corrected.</p>	<p>Major</p>	<p>Some actions have been taken on previous NC, however, it falls short of full compliance. Auditor comment - Some of the NCs from the last audit have not yet been closed. These are 1.1.0.05, 1.1.0.06, 2.1.1.02, 4.8.0.10</p>	<p>We shall ensure all NCs are closed soon</p>	



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<p>2.1.1.01 NSF Checklist TC</p>	<p>You clearly identify all Fairtrade products as Fairtrade in all trade documentation (e.g. invoices, delivery notes and purchase orders), including all relevant documentation sent to and received from the additional entity.</p>	<p>Major</p>	<p>Fairtrade references are identifiable but are incomplete. Fairtrade references exist, but not in all purchase and sales documentation. (i.e. Term "Fairtrade" or similar in invoices BUT it is not possible to find a reference in other documents). Auditor comment - Fairtrade reference is missing on the packing list</p>	<p>Going forward, we shall add Fairtrade reference on the packing list</p>	
<p>2.1.1.02 NSF Checklist TC</p>	<p>Your Fairtrade related documents allow tracing the following information:</p> <ul style="list-style-type: none"> • the name and FLO-ID of the traders involved in a Fairtrade transaction (FLO-ID of the supplier and FLO-ID of the buyer • the applicable dates of the transaction; • the quantities and physical form of the product when transacted (purchase and sale); • the details of Fairtrade Price and Fairtrade Premium and pre-financing (only applicable to transactions between producer organizations, conveyors and payers) 	<p>Core</p>	<p>Some of the listed requirements are missing in all or some transactions. Auditor comment - FLO IDs of trading partners are missing on commercial invoice, packing list, Bill of Lading</p>	<p>Going forward, we shall add FLO IDs of trading partners on all trade related documents</p>	



 Meghna Knit Composite Ltd.
 Garachala, Sreepur, Guwahati.
 30.05.2022

Certifier for



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<p>4.8.0.10 NSF Checklist TC</p>	<p>(Seed cotton) (Not applicable to spinners operating only under the FSI model) You and all your additional entities and / or subcontractors have a valid Social Indicator that demonstrates that you show efforts to comply with the following ILO Conventions:</p> <ul style="list-style-type: none"> • Hours of work [1919] • Forced Labour [1930] • Freedom of Association and Protection of the Right to Organize [1948] • Right to Organize and Collective Bargaining [1949] • Equal remuneration [1951] • Abolition of Forced Labour [1957] • Discrimination (Employment and Occupation) [1958] • Minimum wage fixing [1970] • Minimum Age Convention [1973] • Occupational Safety and Health [1981] • Elimination of the Worst Forms of Child Labour [1999] 	<p>Core</p>	<p>Social indicator is not valid anymore. Auditor comment - Valid social indicator not available for Epyllion fabrics. Also, company has been using Kashem Cotton since 21/9/2019 but got the GOTS certificate from 19/3/2020. Also, some of the GOTS audit reports were not available for the main / additional entity after the last audit</p>	<p>We shall get the Social indicator for Epyllion Fabrics and submit to FLOCERT soon. Also, going forward, we shall ensure valid social indicators for additional entities being used for FT production. We shall also follow up with our certification agency and get all the audit reports after the last audit and submit to FLOCERT</p>	
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<p>4.8.0.13 NSF Checklist TC</p>	<p>(As of January 2019) (Seed cotton) (Not applicable to spinners operating only under the FSI model) You and all your additional entities and / or subcontractors have presented Social Indicators for the whole certification cycle and these are accepted by FLOCERT as they demonstrate that you show efforts to comply with the following ILO Conventions:</p> <ul style="list-style-type: none"> • Hours of work [1919] • Forced Labour [1930] • Freedom of Association and Protection of the Right to Organize [1948] • Right to Organize and Collective Bargaining [1949] • Equal remuneration [1951] • Abolition of Forced Labour [1957] • Discrimination (Employment and Occupation) [1958] • Minimum wage fixing [1970] • Minimum Age Convention [1973] • Occupational Safety and Health [1981] • Elimination of the Worst Forms of Child Labour [1999] 	<p>Core</p>	<p>Social indicators presented did not cover the whole certification cycle or are partially accepted. Auditor comment - Refer NC against 4.8.0.10</p>	<p>We shall get the Social indicator for Epyllion Fabrics and submit to FLOCERT soon. Also, going forward, we shall ensure valid social indicators for additional entities being used for FT production. We shall also follow up with our certification agency and get all the audit reports after the last audit and submit to FLOCERT</p>	
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No non-conformities have been detected during the audit.




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1. INTERVIEWS

	No.	Comment	N/A
Interviews during the audit			
Number of members interviewed	10		
Number of workers interviewed			

2. SITE VISITS

Name	FLOID (if applicable)	Comment	Type of site(s)						
			Headoffice/ Administration	Production/ Processing/ Manufacturing	Warehouse	Subcontractor	Affiliate	Premium Project	Other
		N/A							
		N/A							
		N/A							
		N/A							
		N/A							
		N/A							
		N/A							
		N/A							
		N/A							
		N/A							
		N/A							



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Period of audit: From 27 Mar 2018
To 30 May 2020

Start of Audit: Date 30 May 2020
Time 11:00

End of Audit: Date 30 May 2020
Time

confirm that all documents and figures presented during the audit are according to the actual situation and any changes to this current situation will be communicated to FLOCERT immediately.

confirm I have received the list of non-conformities identified during the audit. I accept that during evaluation, the non-conformities can be added, changed or deleted by FLOCERT. The final and confirmed list of non-conformities will be sent by FLOCERT after the audit.

YES NO I herewith voluntarily suggest corrective measures. The suggested corrective measures can be refused by FLOCERT if found unsuitable for the resolution of the non-conformities. I am also aware that the objective evidences in this closing report, if applicable, are suggestions of the auditor and can be changed by FLOCERT during the evaluation process.

Gilab Khala, Steepur, Gazipur
30-May-2020,

Place and date, signature operator representative

Place and date, signature auditor



A. S. Man
30.05.2020

