

2019

**“An Analysis of the Performance of the
Compliance Operations of Nice Denim Mills Ltd.”**



Daffodil
International
University

Internship Report

On

**“An Analysis of the Performance of the Compliance
Operations of Nice Denim Mills Ltd.”**

Prepared for

Dr. Mohammed Masum Iqbal

Professor and Dean

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Program: MBA (HRM)

ID: 162-14-679

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Daffodil International University

03rd January, 2019

To

Prepared for

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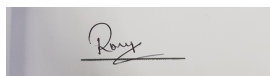
Subject: Submission of Internship Report.

Dear Sir,

I would like to thank you for assigning me to prepare the internship report of “An Evaluation of the Performance of Compliance Operations of Nice Denim Mills Ltd.” This assignment has been given me the opportunity to discover one of the most important aspect of the Nice Denim Mills Ltd Compliance Management. I have completed my internship practically in Nice Denim Mills Ltd from September 1st, 2018 to November 26th, 2018. The topic of my report “ **An Analysis of the Performance of Compliance Operations of Nice Denim Mills Ltd**” contains a comprehensive study on the Compliance issues of Nice Denim Mills Ltd. It was a great pleasure for me to have the opportunity to work on the above-mentioned subject. I have endeavored my best to come out with a good one.

I tried my best to put meticulous effort for the preparation of this report. Any shortcomings or flaw may arise as I am very much novice in this aspect. I will wholeheartedly welcome any clarification and suggestion about any view and conception disseminated in my report. I hope this report will attract your kind appreciation.

Yours sincerely



Md. Afzal Hossain Roni

Program: MBA

ID: 162-14-679

Certificate of Academic Supervisor



To Whom It May Concern

This is to certify that Afzal Hossain Roni student of MBA program of our university bearing **ID: 162-14-679** has successfully completed the internship report on “**An Analysis of the Performance of the Compliance Operations of Nice Denim Mills Ltd**” In this regard he practically worked in Office of the **Nice Denim Mills Limited** from ^{1st} September 2018 to 26th November 2018 under my instruction and supervision. This report supports the topic title and fulfills the entire necessities. I instructed him to prepare. Here by, I accept the report as the successful completion of the internship program. During the program he was proactive, attentive and sincere to his work and I wish him every success in life.

A rectangular box containing a handwritten signature in blue ink. The signature appears to be "Dr. Masum" with the date "28/11/18" written below it.

Dr. Mohammed Masum Iqbal

Professor and Dean

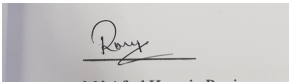
Faculty of Business & Entrepreneurship

Daffodil International University

Student Declaration

I am Afzal Hossain Roni, a student of Masters of Business Administration (MBA), in Daffodil International University. I am declaring that this practicum report on the topic of **“An Analysis of the Performance of Compliance Operations of Nice Denim Mills Ltd”** has only been prepared for the fulfillment of the course of Practicum as the partial requirement of Masters of Business Administration (MBA).

It has not been prepared for any other purpose, reward or presentation.



Md. Afzal Hossain Roni

Program: MBA

ID: 162-14-679

Acknowledgement

At first I would like to express my gratefulness to the almighty Allah who has given me the chance to go through the total procedure of internship. I would also like to admit my sincere thankfulness to the respected supervisor Dr.Mohammed Masum Iqbal, DIU who has given me directions regarding the writing of the report and to go through the process. He is the torch bearer of my research. With his great efforts, it has been possible to submit the report at this moment. I also gratefully thank him for giving me his valuable time, educationally sharing views with me. I consider it a blessing from the Almighty to have the right person for my research supervision.

I am very much grateful to the executive of **Nice Denim Mills Ltd.** who extended their whole hearted Cooperation during my internship period. I would like to extend my gratitude to Mr. Shahriar Ahmed GM - Admin, HR & Compliance and Mr. Mohaiminul Islam, Compliance manager and to all the personnel of Nice Denim Mills Ltd. And in the Head Office, who have co-operated and helped me to get all the information for the development of my report.

I thankfully admit the effort and time that the above-mentioned persons have willingly shared. Their ideas and observations to make the report a worthy one, was really a great source of spirit for me.

My love and thanks to all my supports who have helped and supported me all the way, while doing the report.

Executive Summary

More than 78% of Bangladesh's export earnings come from the garment and Textile industry. The garments sector has a greater potential than any other sector in terms of employment and foreign exchange earnings to reduce poverty and make a contribution to the national economy. Two thirds of country's labor force (approximately 4 million) is engaged in this sector, of which almost 85% are women. So it can easily realize that Garments Sector is the most vital part of our country. To get proper work output from garments employees and workers they always requires basic worker rights, safe working environment, and health, hygienic, enhance job security and improve their terms of employment in overall local and global laws. All the legal demand of employee and workers perform through the Compliance department. That is why compliance department consider as an important function in Garments and Textile Sector.

The Nice Denim Mills Ltd has been formed in 2013 and since then enhanced to its journey with the obligation to the society to build wealthy Industrial backbone for socio-economic enlargement of the country. After nearly four economic years, it has established a number of diversified and possible buyers through the world for marketing and manufacturing of a wide variability of customers and export oriented products. Nice Denim Mills Ltd ensures satisfactory training and appropriate work to increase skills of the worker and employee and productivity. For the successful 3 years journey of compliance department, the garment has got the membership of BSCI. Nice Denim has been following Bangladesh Labor Act 2006, BGMEA code of conduct and BEPZA Instruction-1, 1989 to perform their compliance operations.

The report has been made on the basis of my three months practical work experience in Compliance department at Nice Denim Mills Ltd. My study objective is to gather broad knowledge on overall compliance practices maintained by this factory and performance evaluation of compliance department. In this report I tried to cover a short profile of Nice Denim Mills Ltd. and major consumers of this textile. And it also includes tasks of a Compliance officer, my action and the problems that I faced.

In addition, I evaluate the presentation of compliance department according to numerous audits. And my three months practical work experience as an intern at compliance department. Apart from this here I explain all ten issues of compliance.

I recommend and mentioned the findings through the study of Performance evaluation of compliance Procedures at Nice Denim Mills Limited. Finally I tried to give an in-depth analysis for every factor, which relates to compliance department from the perspective of employees and workers satisfaction and dissatisfaction.

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Chapter-1

Introduction

NOMAN
G R O U P



1.1 Introduction

Nice Denim Mills Ltd (NDML) is a manufacturer of high quality denim Fabric and Fashion Garments producer in Bangladesh. Currently it is the largest denim mill in the industry. Nice Denim Mills Ltd also have a highly skilled management team with having a huge experience in the denim industry. Nice Denim is completely a composite and consists of Weaving, processing/coloration and Spinning. It is the newest unit of Noman Group, the largest vertically integrated textile group in Bangladesh. Engaged in textile business since 1960. Nice Denim Mills Ltd has started production in 2013.

1.2 Background of the Study

Compliance of RMG factories is the main necessity for most of the reputed global garments buyers. In fact compliance confirms all labor facilities and rights according to the buyer's code of conduct. However Bangladesh is well experienced with RMG from late 1970s, it is familiar with compliance issues for the last few years. Now a day's Compliance is most vital factor to achieve a garments export order than the product superiority. But only a few number of RMG factories in Bangladesh are complaint out of more than five thousand different scale factories. So every RMG factory should have to be complaint for safety of the human rights by continuing compliance code of conduct.

Thus, Bangladesh has an inflexible contest ahead to meet the demand of world market. In addition to quick supply, the social scopes of the RMG industry are getting more attention from customers, social workers, welfare organizations and brand name international buyers. Currently, many global buyers are demanding compliance with their "code of conduct" before placing any apparel import order. Casual recruitment, little knowledge levels, wage discernment, unbalanced payment and short agreements of service are very common practices in the RMG factories in Bangladesh.

1.3 Scope of the Study

Scope means how many sources use for completing this report space. The scopes are given below-

- Factory
- Academic Supervisor
- Organization Supervisor Assistance
- Discussion
- Internet
- Some of my senior friends helped me

- I collected information from various books and relevant paper which related with textile industry

1.4 Objectives of the Study

- To identify the compliance requirements of Nice Denim Mills Ltd;
- To find out the difference between requirements and actual status of Nice Denim Mills Ltd;
- To identify the problems related to compliance issues of Nice Denim Mills Ltd;
- To make recommendations to improve the operations of compliance department;

1.5 Methodology of the Study

For doing this report, I have collected various types of primary and secondary data. To meet the objectives of the study I realized that a single method would not be effective. Both primary and secondary sources were used in here.

Collection of Primary Data

- Interview
- Direct Observation
- Questionnaires
- Training

Collection of Secondary Data

- Operational Manual
- Official Website
- Previous Research
- Web Information

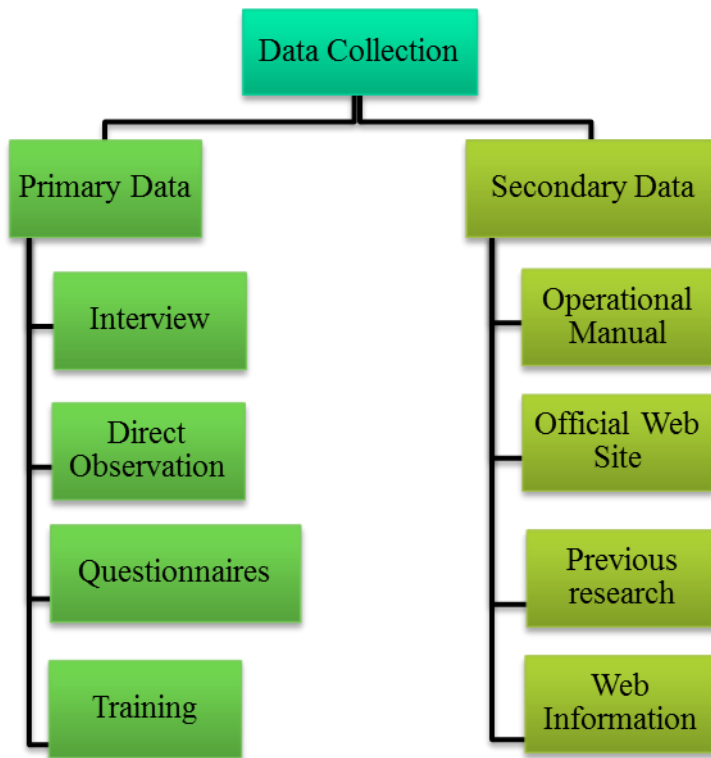


Fig 1.1: Data Collection Method

1.6 Limitations of the Study

As there is a say that nothing is perfect, so there is some limitations of this study. The limitations are as follows:

- Many of the parts could not be discussed in this report due to time limitations
- The company website has not available data to collect
- There are several data the company couldn't provide due to safety and other business obligations
- Mismatch of collected data from different sources
- Lack of experience
- The information of the company was not found in an organized way

Chapter-2

Organizational Part

NOMAN
G R O U P



2.1 History of Noman Group

Noman Group has a very good history; it has started in 1968 with Md. Nurul Islam's beginning in the textile industry. Noman Group was merged through the inception of Zaber&Zubair Fabrics Ltd in 1997. The group has grown up to become one of the biggest, privately-owned businesses in Bangladesh covering 33 textile subsidiaries and employing over 60,000 employees. Currently it is one of the biggest private sector businesses in the country, making major involvement to the economy. Today, Noman Group is a reputed vertically incorporated textile group in Bangladesh. It has constantly been the top exporter in Bangladesh for the past seven years. Noman Group has solidified its position as a market leader in the textile industry.

Nice Denim Mills Ltd is a world class denim fabric producer in Bangladesh. Incorporated in 2013, it has started commercial operation in mid-2015. Founded in Gazipur, it is presently the largest mill in the industry. Nice Denim also claims a highly skilled management team with a wealth of experience in the denim industry.

2.2 Company Profile

Company Name	:Nice Denim Mills Ltd.
The Board of Directors	:Md. Nurul Islam, (Chairman)
Chief Operating Officer	: Abdullah Mohammad Talha
Established	:2013
Ownership	:Limited Company
Legal Aspect of the organization	:Private Company
Factory Address	:Sreepur, Gazipur 1710,Bangladesh
Factory location	:Sreepur (about 1.5 hour away from the Dhaka airport).
Head office	:Adamjee Court (Main buildin Phone +88029578401-2, +88029578402, +88029578407, +88029578408 Fax +880 2 9564336
Advising Bank	:DBBL Bank
Manpower	:3000

2.3 Production Capacity

PRODUCTION CAPACITY	
Production Per Annum - Fabric	32,000,000 yards – (Approximately)
Production Per Annum - Garments	20,000,000 pieces - (Approximately)

Fig 2.1: Production Capacity

2.4 Manpower

MANPOWER STATISTICS		
Dyeing	Ball Warping / Dyeing LCB / Sizing Maintenance	815
Weaving	Production Looms Maintenance Looms	1230
Finishing & Inspection	Production Maintenance	435
Quality Control	On-Line QC	410
Quality Assurance	Fabric Testing & Pilot Washing	
Research and Development	Fabric Technician	
Yarn & Fabric Go-Down	Delivery	
Utility Support	Technicians	
Management Technical Staffs		60
Administration Staffs		55
		3,005

Fig 2.2: Manpower

2.5 Other Sister Concern of Noman Group

- SAAD SAAN APPARELS
- SAAD SAAN TEXTILE MILLS LTD
- ZABER AND ZUBAIR SPINNING MILLS LTD
- NOMAN TEXTILE MILLS LTD
- NOMAN WEAVING MILLS LTD
- NOMAN COMPOSITE TEXTILE LTD
- ISMAIL SPINNING MILLS LTD
- NOMAN SPINNING MILLS LTD
- SUFIA COTTON MILLS LTD
- TALHA SPINNING MILLS LTD
- YASMIN SPINNING MILLS LTD

2.6 Major Clients



Fig 2.3: Prominent Buyer

2.7 Certifications



Fig 2.4: Certification

2.8 Organogram

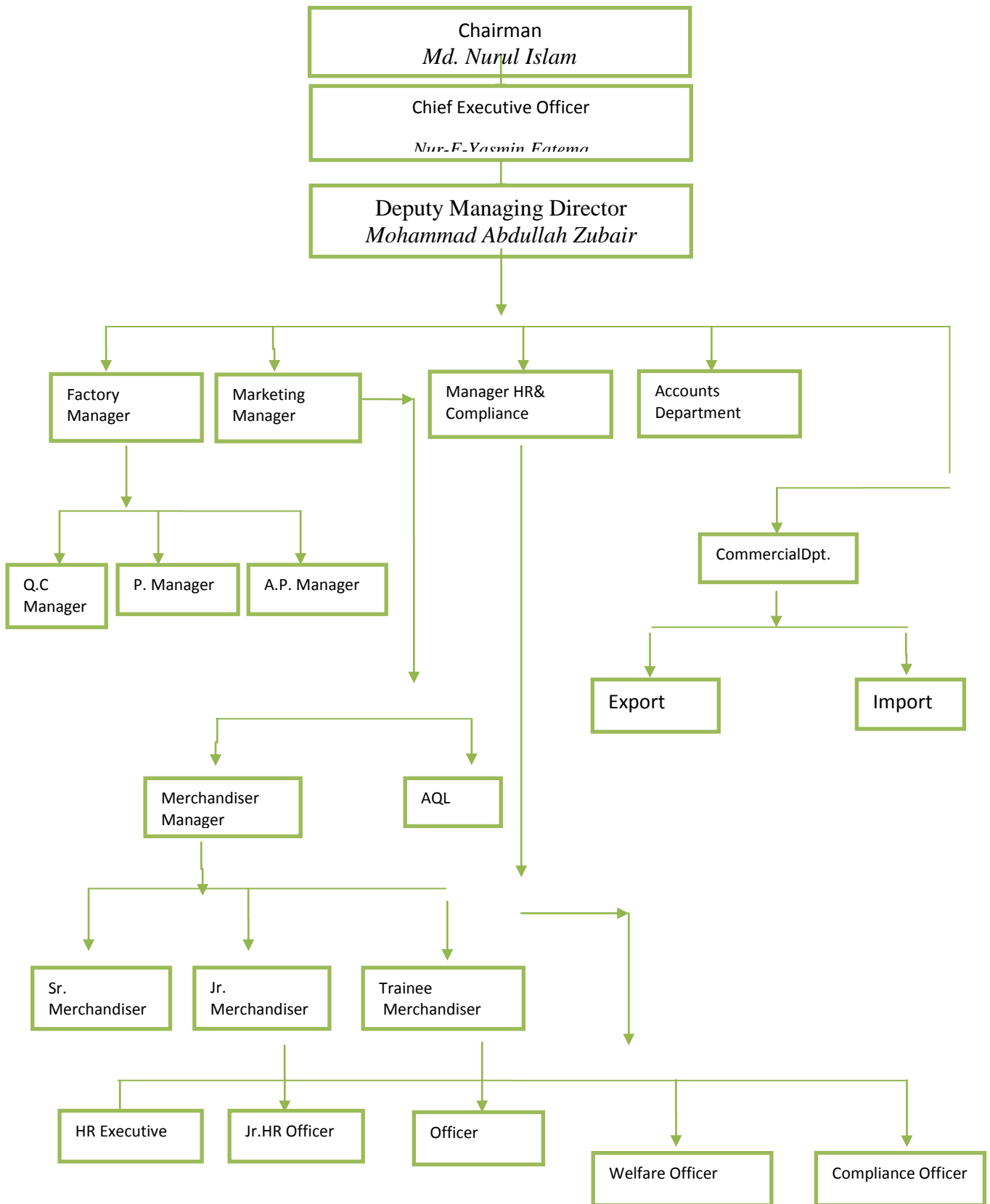


Fig 2.5: Organogram

2.9 Mission

Consumer Mission To production and supply the best quality denim products on time with a continued promise to compliance.

Social Mission To act dutifully as a universal corporate citizen and ensure the well-being and evolution of our employees and all other shareholders

Environmental Mission To foster a sustainable future through collaborating with area businesses, community leaders and neighbors with the end of goal of environmental well-being

2.10 Vision

- ✚ To emerge as the market leader in the denim manufacturing industry.
- ✚ To produce basic as well as innovative, value-added denim products.
- ✚ To ensure & promote sustainability in all phases of our operation.

2.11 SWOT Analysis

SWOT Analysis is a simple but valuable framework for analyzing your organization's strengths and weaknesses, and the opportunities and threats that you face. It helps you focus on your strengths, minimize threats, and take the greatest possible advantage of opportunities available to you.

Strengths

1. Skilled Workforce
2. High Growth Rate
3. Unique Products
4. Brand Name
5. Innovative Culture
6. Superior Technology

Weaknesses

1. Presence in Only Big City
2. Highly Dependent on Cotton
3. High Set-Up Cost of New Plant
4. Inability to Retain Skilled Personnel

Opportunities

1. International Expansion
2. Growing Demand
3. Rapid Growth in Age Group of 15-44 Years
4. Cheap Labor
5. Large, Potential Domestic & International Market

Threats

1. Substitute Products
2. Intense Competition
3. Change in Tastes
4. Govt. Regulation
5. Political Risk
6. Competition from Other Developing Countries, like China

2.12 TOWS Matrix

Internal Factors	Internal Strengths (S) 1.Skilled Workforce 2.High Growth Rate 3.Unique Products 4.Brand Name 5.Innovative Culture 6.Superior Technology	Internal Weaknesses (W) 1.Presence in Only Big City 2.Highly Dependent on Cotton 3.High Set-Up Cost of New Plant 4.Inability to Retain Skilled Personnel
External Factors	SO Strategies By using their brand name they should lead a large potential domestic and international market.	WO Strategies Since their demand is growing they should expand their business in small towns also.
External Opportunities (O) 1.International Expansion 2.Growing Demand 3.Rapid Growth in Age Group of 15-44 Years 4.Cheap Labor 5.Large, Potential Domestic & International Market		

External Threats (T)	ST Strategies	WT Strategies
1.Substitute Products 2.Intense Competition 3.Change in Tastes 4.Govt. Regulation 5.Political Risk 6.Competition from Other Developing Countries, like China	Peoples taste always changes so they should add unique value to their products.	By increasing training facilities for personnel they can improve the capacity of retain skilled personnel.

Table 2.6 TOWS Matrix

2.13 Corporate Social Responsibility

Noman Group carries an important involvement to the community and society through agendas, focusing on education and healthcare of children. The company’s social programs reflect a belief that an educated and healthy population is required to develop society.

Noman Group held its first annual summer blood drive in 2013 in partnership with Quantum Foundation.



Photo 2.7 Donating Blood

Noman Group signed an agreement in 2012 with Dutch-Bangla Bank Limited on to provide mobile banking service to its 50,000 employees.



Photo 2.8 Employees getting salary by DBBL Mobile Banking

Noman Group is a champ of the awareness that everyone is eligible to education. In line with that view, it has been supportive Chunati High School, a non-governmental high school in Lohagara for many years.



Photo 2.9Chunati High School

Noman Group is now giving equals more than 10 tons of clothes to the societies every month it serves. Especially during the country’s biggest festivals, it associates up with local groups to provide new clothes to underprivileged children.



Photo 2.10 Helping underprivileged children

Chapter-3

Performance Evaluation of Compliance Procedures of Nice Denim Mills Ltd.

NOMAN
G R O U P



3.1 Compliance Defined

Compliance means when people to agree with others, but actually keep their dissenting opinions private. In Garments industry point of view compliance refers to ensure basic workers right, safe working environment, and health, hygienic, enhance workers job security and improve their terms of employment in overall local and global laws scale in all locations where business is conducted. Textile industry has to abide by the statutory and regulatory requirements in order to contribute positively towards country and workers through following coordinated efforts.

3.2 Importance of Compliance

When it comes to a business and corporate management, compliance mentions to the company following all of the legal laws and regulations in regards to how they manage the business, their staff, and their treatment towards their consumers. When a company starts facing numerous court cases, the general public will lose their faith in the company and sales in products and services will eventually drop. Compliance will guarantee that a company can uphold a positive image and create customer belief. This also helps build customer reliability, since consumers are more likely going to return to a service or product from a company they identify as reliable. This also helps a business with advertisers, sponsors, and government requirements.

Internal compliance to wages, safety, compensations, employee benefits, and employee protection will make a positive environment in the working area.

3.3 History of Compliance

In 1992, when a public scandal happened a report in the Washington Post about the production of Levi Jeans by Chinese prison labor in the Island of Saipan. Levi Strauss immediately reacted by drawing up a code on labor standards (compliance) for all of its overseas suppliers. Wal-Mart, a major US company, was one of the first retailers to establish a comprehensive code in 1993.

3.4 History of Compliance in Bangladesh Textile/Garments Industry

Five deadly incidents from November 2012 through May 2013 brought worker safety and labor violations in Bangladesh to world attention putting pressure on big global clothing brands such as Loblaw, Primark, Wal-Mart, Joe Fresh, Gap, Nike, Calvin Klein, Tchibo and Tommy Hilfiger, and traders to respond by using their economic weight to create change. No factory owner has ever been accused over the deaths of workers.

On April 24, 1137 workers of textile were making clothes for Western brands, were killed when a garment factory collapsed. The Savar building collapse was in the Rana Plaza complex, in Savar. It was the "world's deadliest industrial accident since the Bhopal disaster in India in 1984. While some 2,500 were saved from the rubble including many who were injured, the total number of those missing remained unknown weeks later. On August 31, 2015 Bangladesh government has offered a new law - the Textile Industries Establishment Act-2015 to blow down on unlawful units and modernize the ready-made garment (RMG) sector. The law aims to make the Directorate of Textile an effective 'sponsoring authority' for the RMG sector. According to the draft proposal, no one would found and run textiles and garments factories without registration under the textile industries establishment act.

3.5 Nice Denim Mills Ltd. Compliance Ethics

Nice Denim has been performing good social compliance practices. It has a compliance slogan "**Every Worker is equal**" They have faith in equal pay for similar jobs and facility of equal chance to all employees to allow them to grow with the company. They don't differentiate against anyone when employing, paying promoting, and selecting people for training. At the time of termination of employment or retirement on the basis of race, religion, national origin, gender, disability, any association or political affiliation.

Nice Denim Mills Limited signed an agreement with Dutch-Bangla Bank Limited on mobile banking services. Under the agreement, all 3000+ employees and workers of NDML are now able to get monthly salary through their DBBL mobile banking accounts.

Nice Denim Mills Limited has an in-house child care facility for the children of the workers and employees. It strives to ensure that women don't have to relinquish critical child-rearing responsibilities in order to work.

In addition to ensuring all basic medical facilities in-house, Nice Denim Mills Limited is also working on a workplace training model to increase the health knowledge and awareness among factory workers, especially females.

3.6 Responsibilities of a Compliance Officer

Ensuring the companies complies with its outside controlling necessities and internal strategies. A compliance officer might analysis and set principles for external communications by demanding disclaimers in emails, or may survey conveniences to ensure that they are available and safe. Compliance officers may also plan or update internal policies to lessen the risk of the company breaking laws and regulations, as well as lead inner audits of processes.

3.7 Performance Evaluation

Nice Denim Mills Ltd. has been following Bangladesh Labor Act 2006, BGMEA code of conduct and BEPZA Instruction-1, 1989 to perform their compliance operations.

1. They condemn Child Labor.
2. They condemn bonded labor / Forced Labor.
3. Health and Safety also Cooperative working relationship among employees and employer.
4. Encourage Freedom of association and employees participation at all level.
5. They condemn Discrimination on any ground.
6. Ensuring applicable requirements of Laws & Workplace regulations.
7. They are strongly maintained Working & OT hours within limit of country laws.
8. They offer all the Compensations & benefits to their worker as definite in local lows/rules
9. Strongly Prohibition of Harassment or Abuse.
10. **Environment:** Their factory and working environment is more Hygiene and safe because their factory is housekeeping tidier; Toilets are very clean with tiles. Drinking water is available. Sufficient cleaners and sweepers are provided for cleaning.
11. **Security:** They have strong security policy and Group such as Security guards and CCTV system with only strong surveillance at all access points to increase deterrence of criminal act.

3.8 Child Labor

Nice Denim Mills Ltd. does not employ any child labor whose age is below 18 in any of its departments and also does not allow the practice of child labor in any of its supplier.

- ✚ Copy of Birth Certificate or,
- ✚ Copy of education Certificate or,
- ✚ Copy of national ID card or,
- ✚ Copy of Doctor's Medical Examination Certificate.

3.9 Forced Labor

Nice Denim Mills Ltd. does not use involuntary or forced labor. They prohibit all relevant persons from forced employees in any way or needlessly limiting employee's independence of movement. Company does not require employees' originals of documents to submit at the time of employment with the company.

3.10 Health and Safety

Nice Denim Mills Ltd. utilizes all available resources to provide a healthy and safe working environment for all its workers and to eliminate all potential hazards that are capable of causing work related accidents. They provide all necessary personal protective equipment's and implements controls to ensure the safety of the workers and their health. Compliance make sure through maintenance staff that eye guards, needle guards, pulley guard are appropriately fitted in all the machines. First aid boxes are delivered to workers, in case of any injury also makes sure that fire extinguishers are all accessible and all the workers' are expert to use these.

Nice Denim Mills Ltd. has professional Medical Consultant or Doctor and Medical Assistant (nurse) to provide First Aid assistance to workers and arrange trainings on emergency first aids and conduct training for firefighting by expert.

“Sudden happening demanding immediate action” For Interact, some of the emergency conditions may be due to the following:-

- ✚ Fire/smoke
- ✚ Bomb Blast/threat of Bomb Blast.
- ✚ Accidental release/discharge of environmentally hazardous material.
- ✚ Industrial accident
- ✚ All natural calamities as Earthquake, Tornado, Incessant Rain etc.

3.11 Freedom of Association

Nice Denim Mills Ltd identifies and admirations the right of employees to exercise their lawful rights of free association and collective bargaining. They do not differentiate against employees who form or participate in lawful association. Forms of discernment include but are not limited to wage suspension, penalties, and termination.



Photo 3.6: Policy Board

Workers Representation and Welfare Committee (WRWC) has been formed in Nice Denim Mills Ltd. members of committee were elected through election took place, where selected names were taken and workers voted in favor of the nominee.

3.12 Discrimination

Nice Denim Mills Ltd has an equal chance employer and believes in equal opportunity for all based inability and merit to carry out the given duties. They do not favor against anyone when recruiting, paying, promoting and selecting people for training, at the time of termination of employment or retirement on the basis of race, religion, national origin, gender, disability, any association or political affiliation.

- ✚ In cases where the potential candidate is disabling but his/her disability cannot affect the nature of job for which he/she is seeking employment, the company does not discourage these employees and provide them equal opportunity to seek employment on merit.

3.12.1 Reporting on Discriminatory Behavior

- ❖ Employer examines the experience or the employee's complaint.
- ❖ Where it is establish that a simple episode of discrimination has taken place, Company archives his explanations and forward to General Manager, who takes necessary action.
- ❖ Based on the objective signs available and from the response of other worker as well as on the past discriminatory performance, General Manager may decide to terminate the worker or demote the employee.
- ❖ Suggestion box is placed in the facility, if any employee wants to report any incident he/she can use the facility without mentioning his/her identity, the matter will be investigated and resolved by the Company, after discussing the complaint with Head of the Factory.

3.13 Laws & Workplace Regulations

According to, Environment and customs law, Nice Denim Mills Ltd constantly informs itself and complies with local and national law and principles containing workers and buyers necessities related to all workstation regulation and social laws counting environmental procedures, customs law and safety. According to changes of law and regulation Nice Denim Mills Ltd updates their policy and procedure manual. To maintain all this regulatory issues Nice Denim Mills appoints an expert in labor law. Company always takes support from him for understanding and implementation of any amendment or any new requirements in the local law.

3.14 Working & Over Time Hours

Nice Denim Mills Ltd informs all potential employees, at the time of signing, rules and regulations and legal limitation on the maximum number of hours of work per day, week, and months both regular and overtime and the maximum number of repeated days they can officially be essential to work. They provide one day off in every week, except as required to meet the urgent business requests. They implement a regular work day of 8 hours and define the regular overtime requirements as maximum two hours per day. Nice Denim Mills defines “Urgent business need” that means an employee when mandatory to work on a Friday or holiday a “Day off” shall be given as an extra on any other day.

Besides all newspaper holidays the enterprise also grants to employees with following type of Leaves:

✚ **Earned Leave: EL**

Every employee will be entitled to Earned Leave after completion of one year service, which is calculated as 1 day off each 22 days working basis.

✚ **Casual Leave: CL**

Every employee will be entitled to 10 days Casual Leave per calendar year.

✚ **Festival Leave: FL**

Every employee will be entitled minimum to 11 days festival leave per calendar year.

✚ **Sick Leave: SL**

Every employee will be entitled to fourteen (14) SL on half-average wages per calendar year.

✚ **Maternity Leave: ML**

Any female employee with a minimum of six months of uninterrupted service in the organization shall be entitled to maternity leave.

3.14.1 Overtime Working

In a working day, when a Department Head feels the need of overtime production to meet the shipment targets, he/she fills the overtime sheet by identifying the workers for overtime, duration and activity of overtime to be done and send to General Manager or Manager HR & Compliance.

Admin, HR & Compliance Executives & Manager confirms the acceptable hour's limits for every worker identified on the Job Cards.

- ✚ In case if Admin & HR Executives or Manager does not allow any worker to cross the limits of 12 hours in a week.
- ✚ Administrative approval is taken from GM or Manager HR & Compliance for Compensation of overtime working.

HR & Admin Executives & Manager makes sure that overtime charges are paid at double the agreed rate with the monthly basic salary of the employee.

3.14.2 Overtime Hours

Saturday-Thursday: 04:30p.m-06-30p.m, Two Hours (If needed)

3.14.3 Willingly Overtime by Workers

The HR - Admin & Compliance Executives & Manager strictly monitors the enthusiasm of all those workers who generally do the overtime and without the will of any worker does not involve him to be at overtime for any reason.

3.14.4 Working Due to Urgent Business Needs

Nice Denim Mills Ltd. can go for production on holidays in case of following business situations:-

- ✚ Any external unplanned failure, which can stop the production operations.
- ✚ Admin, HR & Compliance Executives makes sure that in cases where the company operated on Holiday/Fridays, overtime charges are paid at double the agreed rate and workers will be given one day off within three days on either side.
- ✚ The HR, Admin, welfare staffs / Compliance staffs are responsible for communicating; deploying and monitoring the Nice Denim Mills Ltd. defined “urgent business needs” requirements.

3.15 Compensations & Benefits

According to BEPZA instruction 1 & 2 of 1989 and Re-fixation of minimum wages and benefits for the workers of the enterprises of EPZs-2013 Nice Denim Mills Ltd. pays at least the total lowest payment essential by BEPZA Instruction, including all required wages, benefits and allowances to its staff and workers. Company makes sure that all the salaries of

permanent employees are in accordance with the BEPZA Instruction and distributed through a satisfactory procedure on given plan

Grade	Basic Wage Taka	Rate of Yearly Increment on Basic	House Rent 40% on Basic	Medical Allowance (Fixed)	Gross Wage Taka
Apprentice (Trainee)	2800	10%	1120	560	4480
Helper	3600	10%	1440	560	5600
Junior Operator	4200	10%	1680	560	6440
Operator	4500	10%	1800	560	6860
Senior Operator	4800	10%	1920	560	7280
High Skilled	7600	10%	3040	560	11200

Table3.1: Source: BEPZA instruction 1 & 2 of 1989

3.16 Environment

According to BGMEA instruction and Bangladesh Environmental Act Nice Denim Mills Ltd complies with environmental rules, regulations and standards applicable to its procedures and practices environmentally conscious practices in its work environment.

Since the nature of production is mainly produce denim fabric as the main waste, the following industrial waste has been identified:-

- ✓ Solid waste.
- ✓ Water wastes.

3.16.1 Initial Environmental Impact Assessment

- HR, Admin & Compliance Officer seeks the updates from different buyer's related to environmental requirement for whom, Nice Denim Mills Ltd is working.
- Compliance Executives ensures the half yearly testing of drinking water compares the results against the requirement.
- Where required, Compliance Executives identifies the mitigation measures including use of PPE.

3.17 Security

According to BEPZA instruction 1 of 1989 the security system developed and implemented at Nice Denim Mills Ltd. consists of:-

- PMAC (Personal Movement and Access Control) By CCTV and Security guards
- The gatekeeper to the security room intercepts anyone who enters into the factory premises
- Security staff first inquiries from the visitor, his name, category of visitor i.e. supplier, general visitor etc. and whom he wants to see.
- Security staff provides the visitor card to visitor for his distinct identification.
- Host, security personal and the area supervisors ensures that the visitors should only visit the area for which they have been authorized to visit and are escorted by some company representative.
- When the visitor leaves the factory premises return visitor card to the security staff.
- Area supervisors of respective sections and security personal ensure that employees' movement should remain confined in their respective areas and they should visit other sections only as a part of assigned job/ task. Dedicated and locked finished Goods area.
- A separate finished goods area is maintained for the storage of packed cartons.
- The goods are moved into or from the area in the presence of security personnel.

Chapter-4

Actual Task Part

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4.1 Problems Identified

Throughout the survey analysis and 3 months internship period this report's Problem identified according to the respondents' opinion toward hypothesis:

- 1) Nice Denim mills don't maintain 100% eco friendly policy. The mills don't maintain some standard policy. They don't maintain disposal of wastage and artificial humidification.
As per the Bangladesh labor code 2006, rule no 541 has maintain. Effective arrangements shall be made in every establishment, for the disposal of wastage and effects due to manufacturing process carried on therein. But Nice Denim mills don't properly, they maintain 60% disposal of waste policy.
- 2) Nice Denim mills don't provide enough moveable and fixed fire safety equipment. Not every floor has sufficient fire safety equipment. 54% of employees are agreed and 40% are strongly agreed that they have enough fire safety equipment.
- 3) Safe working environment isn't properly arranged in Nice Denim mills Ltd. They have average safe working environment but they are working on it to make a proper safe working environment.
- 4) Some of the employ aren't happy with the health care facility. Their present health care is not available some times.

5.1 Recommendations

For better improvement of performances of Compliance, Nice Denim Mills Ltd can consider the following recommendations:

- 1) To be sustainable in green world and for ensuring environmental compliant, the company should increase the capacity of their ETP plant.
- 2) The Factory should update their fire safety equipment with the passage of time.
- 3) Nice Denim Mills Limited is very much concerned about Factory environment. However I think factory should give more emphasize on the following issues;
 - i. Factory should install centralized & automated fire detection & suppression system.
 - ii. Need to install radium exit mark on the wall.
 - iii. Need to Increase emergency exit light.
 - iv. Need to Increase smoke detector.
 - v. Need to change the decoration of office.

- 4) Workers welfare department (WWD) gives free service treatment including medicine facility for all the workers. But factory does not have Permanent MBBS that is why sometimes workers deprived of proper treatment. So factory should recruit MBBS Doctor for give them sound treatment.
- 5) Factory did not disclose the total compensation amount. The minimum wage for garment workers in Bangladesh is \$65 a month and it exceed to paid salary after first 10 days in every month. And time section department should more aware about to count overtime hours.
- 6) HR & Compliance officer are very much sincere with his worker. But sometimes I have noticed that he does not flexible with some workers. I think he should value all the workers equally.

6.1 Conclusions

It is a great preference for me to have practical experience in Nice Denim Mills Ltd. because without hands-on experience it wouldn't be possible for me to associate the concept with training and it is well found that concept without training is blind.

There are number of textile operating their activities in Bangladesh. The Nice Denim Mills Ltd. is one in them. For the future planning and the successful operation in achieving its prime goal in this current competitive environment this report can be guideline.

While Nice Denim Mills Limited remains a 100% export-oriented organization, the company vision remains focused towards uplifting Bangladesh on a global scale. The group has achieved numerous awards for business, social and environmental performance over the years and remains strongly committed towards the Millennium Development Goals.

Management of compliance is a big job and is a complex one. Social responsibility and Working conditions are of fundamental importance in Textile. Workers are the most important factor in their business and they have to meet and keep their commitment towards their workers by complying with all local laws and regulations in all locations where business is shown. Nice Denim Mills Ltd is fulfilling these issues very efficiently. Now they have to follow up these issues to sustain in the long run because in near future compliance will become a great threat for this industry in Bangladesh. So if it can maintain its quality and standard it can have a huge business potential.

Appendix

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7. Appendices:

Acronym

Short Form	Full Form
BGMEA	Bangladesh Garment Manufacturers and Exporters Association
BKMEA	Bangladesh Knitting Manufacturing Exporter Association
BEPZA	Bangladesh Export Processing Zone Area
BBA	Bachelor of Business Administration
HRD	Human Resource Development
HR	Human Resource
WRWC	Workers Representation and Welfare Committee
BLA	Bangladesh Labor Act
OT	Over time
PPE	Personal Protect Equipment
HRM	Human Resource Management
RMG	Readymade Garments
BSCI	Business Social Compliance Initiative
S&ME	Small & Medium Enterprises
VAT	Value Added Tax
ETP	Effluent Treatment Plant
NDML	Nice Denim Mills Ltd
RMG	Ready Made Garments
QA	Quality Assurance
AQL	Acceptance Quality Level

QUESTIONARIE FOR STAKEHOLDER OF NICE DENIM MILLS LIMITED.

I am a student of BBA program at IUBAT doing internship in **Nice Denim Mills Ltd** which is a Part of my practicum where my topic is ““An **Analysis of the Performance of Compliance Operations of Nice Denim Mills Ltd.**” I need your Cooperation for fulfillment of my report.

Name:		Age:	
Profession:		W. Experience	
Email:			

1. Nice Denim Mills maintain eco-friendly policy and the Standard code of conduct of compliance.

- Strongly Disagree
- Disagree
- Neither agree nor disagree
- Agree
- Strongly agree

2. Portable and fixed fire protection equipment is provided for entire factory areas.

- Strongly Disagree
- Disagree
- Neither agree nor disagree
- Agree
- Strongly agree

3. The Factory have safe working environment.

- Strongly Disagree
- Disagree
- Neither agree nor disagree
- Agree
- Strongly agree

4. Compliance department ensure Health care facility for every single workers.

- Strongly Disagree
- Disagree
- Neither agree nor disagree
- Agree
- Strongly agree

5. Company makes sure that all the salaries of permanent workers are in accordance with the local low.

- Strongly Disagree
- Disagree
- Neither agree nor disagree
- Agree
- Strongly agree

6. The employees of Nice Denim Mills Ltd are satisfied with the behavior of their assigned compliance officer.

- Strongly Disagree
- Disagree
- Neither agree nor disagree
- Agree
- Strongly agree

Give your recommendation:

.....
.....
.....
.....
.....

Thank You☺

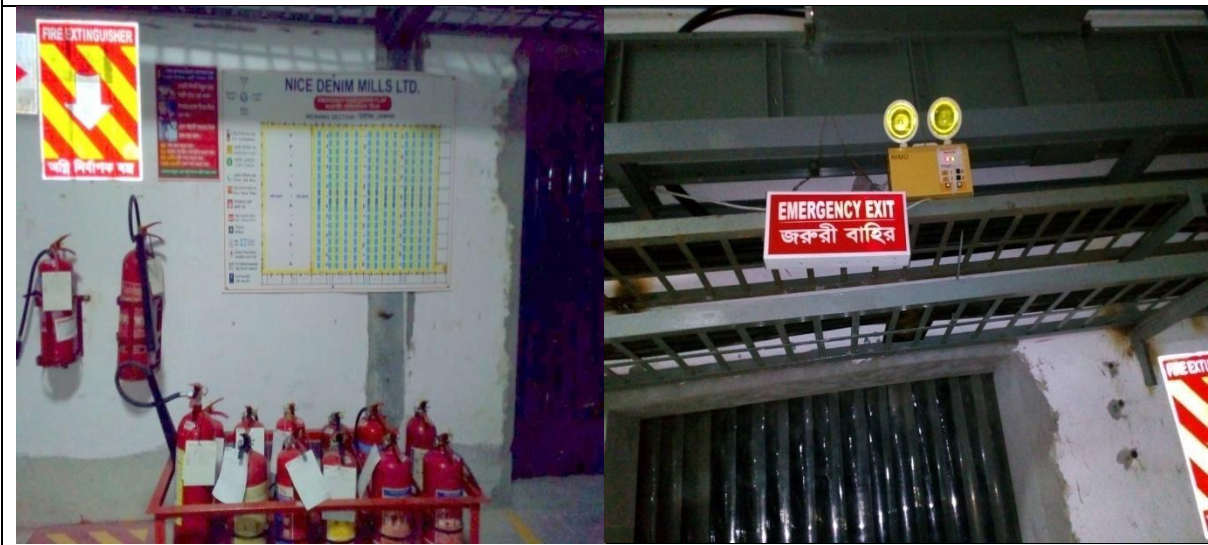
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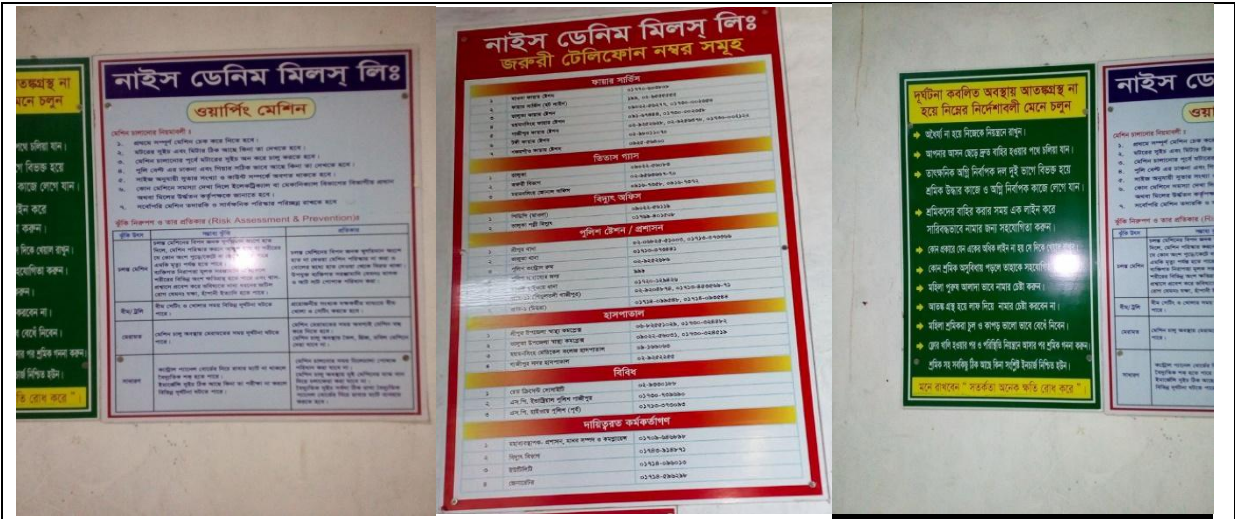


Weaving Machine



Dyeing & spinning machine





Policy Board



ETP

