

FACTORY AUDIT REPORT

ASIACTION SOURCING

Audit Ref :

GENERAL DETAILS	
Factory Audit date	Aug 04, 2023
Factory Audit performed by	Brain An
Name of supplier we inspected	████████████████████ Ltd.
Place of inspection	████████████████████ ████████████████████ ████████████████████ China
Description of product you are planning to purchase from factory	Cold-formed steel sheet pile

PICTURES FROM FACTORY – OUTSIDE

	
Factory gate	Factory name
	
Factory building	Factory building

	
<p>Factory building</p>	<p>Factory building</p>
	
<p>Factory building</p>	<p>Factory building</p>

SUPPLIER LEGAL DOCUMENTS AND STATUS				
Does the supplier have a company business license?	YES	x	NO	
Business license number	[REDACTED]-Factory [REDACTED]-Supplier			
Address of business registration	[REDACTED] [REDACTED] [REDACTED] China			
Supplier's company status	Factory	x	Trading	x
Company business license valid until	long-term			
Company business registration date	Jan 18, 2002			
Does the company have a local tax bureau registration number?	YES	x	NO	
	[REDACTED]-Factory [REDACTED]-Supplier			
Does the company have a China tax bureau registration number?	YES	x	NO	
	[REDACTED]-Factory [REDACTED]-Supplier			
Factory local tax registration number	[REDACTED]-Factory [REDACTED]-Supplier			
Factory National tax registration number	[REDACTED]-Factory [REDACTED]-Supplier			
Does the factory have an export license?	[REDACTED]-Factory [REDACTED]-Supplier			
Does the factory have an Environment license / certificate?	YES	x	NO	
Did the supplier present original documents? (see copies of original docs attached)	YES		NO	x

ILLUSTRATIVE PICTURES OF COMPANY OFFICIAL DOCUMENTS





对外贸易经营者备案登记表

备案登记编号: [REDACTED] 统一社会信用代码: [REDACTED]

经营者中文名称	[REDACTED]
经营者英文名称	[REDACTED]
组织机构代码	[REDACTED]
住所	[REDACTED]
经营范围(中文)	[REDACTED]
经营范围(英文)	[REDACTED]
联系电话	[REDACTED]
电子邮箱	[REDACTED]
工商登记注册日期	[REDACTED]

依法办理工商登记的企业还应填写以下内容

企业法定代表人姓名	[REDACTED]	有效证件号	[REDACTED]
注册资本	[REDACTED]		(折美元)

依法办理工商登记的外国(地区)企业或个体工商户(独资经营)还应填写以下内容

企业法定代表人/个体工商户负责人姓名	[REDACTED]	有效证件号	[REDACTED]
企业资产/个人财产	[REDACTED]		(折美元)

备注: 2005年5月24日注册资本由1500万元变更为2188万元。企业地址变更为现地址。

请认真阅读背面条款,并由企业法定代表人或个体工商户负责人签字、盖章。

备案登记机关
2010年01月01日

对外贸易经营者备案登记表

备案登记编号: [REDACTED] 进出口企业代码: [REDACTED]

经营者中文名称	[REDACTED]
经营者英文名称	[REDACTED]
组织机构代码	[REDACTED]
住所	[REDACTED]
经营范围(中文)	[REDACTED]
经营范围(英文)	[REDACTED]
联系电话	[REDACTED]
电子邮箱	[REDACTED]
工商登记注册日期	[REDACTED]

依法办理工商登记的企业还应填写以下内容

企业法定代表人姓名	[REDACTED]	有效证件号	[REDACTED]
注册资本	[REDACTED]		(折美元)

依法办理工商登记的外国(地区)企业或个体工商户(独资经营)还应填写以下内容

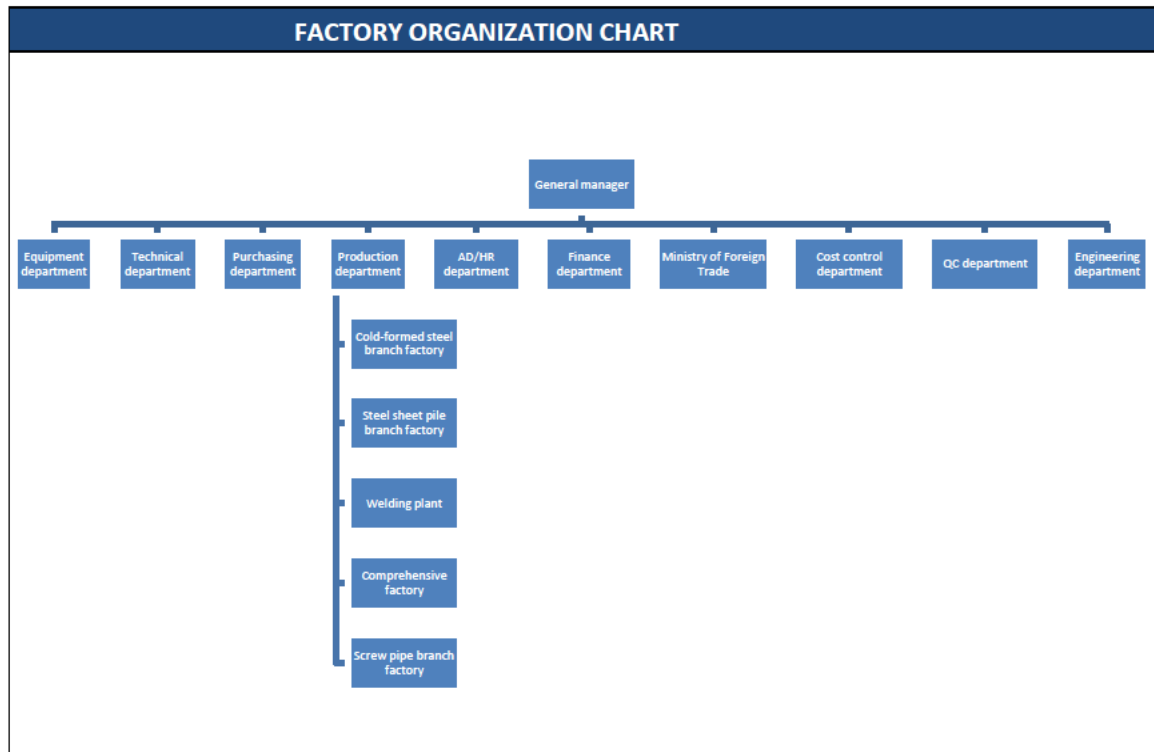
企业法定代表人/个体工商户负责人姓名	[REDACTED]	有效证件号	[REDACTED]
企业资产/个人财产	[REDACTED]		(折美元)

备注: 2005年5月24日注册资本由1500万元变更为2188万元。企业地址变更为现地址。


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备案登记机关
2010年01月01日

Export License- [REDACTED]







DETAILS OF YOUR CONTACT AT FACTORY	
Name of your contact at factory	██████████
Age	38
Position in the company	Sales Manager
How long has your contact worked for factory?	10 years
Does your contact have technical knowledge about products?	Yes
Working experience (past working experience)	14 years
Other important remarks	Nil

	
<p>Business card ()</p>	<p>Your contact picture ()</p>
	
<p>Business card ()</p>	<p>Your contact picture ()</p>
	
<p>Sales department</p>	<p>Finance department</p>



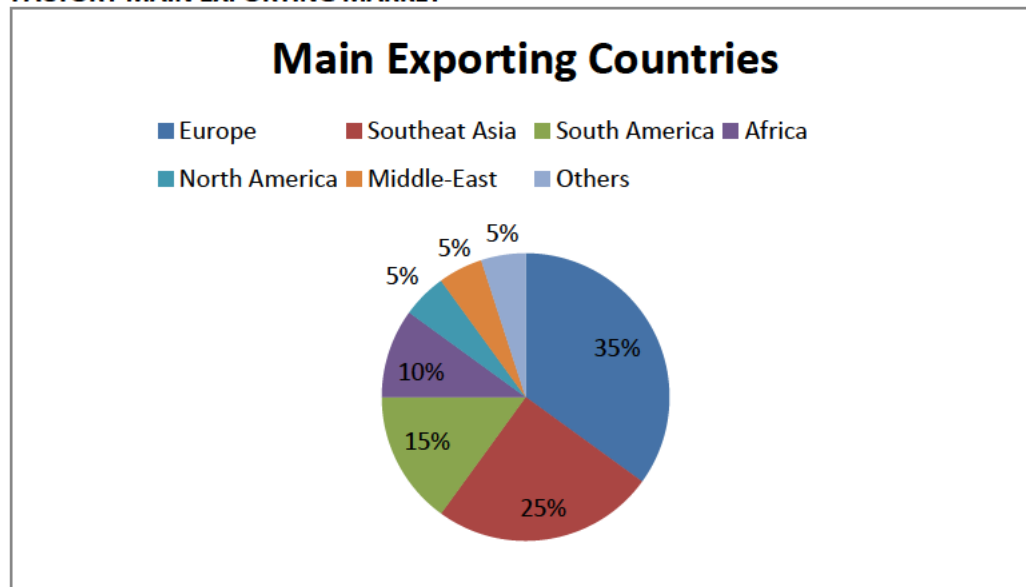
FACTORY MAIN INDUSTRY AND MAIN PRODUCT RANGE				
Factory main industry (ex: plastic products, metal products, toys, electronic products, etc...)	Cold-formed steel			
Factory main products range	Sheet piles			
	Steel pipe piles			
	H Beam			
	U Chanel			
Factory best-selling product(s)	Sheet piles/Steel pipe piles			
How big is the production of factory's best-selling product within the whole production (in %)?	80%			
What part of factory's business represents the production and sales of your product (in %)?	70%			
Have we seen similar products to the one you plan to purchase from factory during our audit?	YES	×	NO	
Years of experience in your desired product manufacturing and selling	21 years			
Other important remarks	Nil			
Acceptable quotation: (CIF or FOB or others)	Both			
Acceptable quotation: (L/C or T/T or others)	T/T			
Port of shipment	Shanghai Port, Tianjin Port			
Assortment acceptable (yes or no)	yes			
Company type:	Manufacture			
Production design:	Manufactory	×		
	Foreign Trading			
	Combine			
Sample marking:	Can R&D new product	×		
	No R&D new product			
Lead time of maring sample	Make sample by them			
	Make sample by factory	×		
	No sample making			
Lead time of making sample	Within 30 working days			

	
Showroom	Showroom
	
Showroom	Showroom
	
Showroom	Showroom

	
Finished goods	Finished goods
	
Finished goods	Finished goods

FACTORY MAIN MARKET				
Percentage of goods produced by factory and exported abroad within their whole production	80%			
Main exporting countries (name and %)	Europe 35%			
	Southeast Asia-25%			
	South America 15%			
	Africa-10%			
	North America 5%			
	Middle-East-5%			
	Others-5%			
Name of factory's main customers	Contractor			
	Trader			
	Owner			
Factory sales percentage to its main customers	90%			
Does the factory already sell in your country?	YES	x	NO	
Does the factory already sell your intended product in your country?	YES	x	NO	
Names of factory's main customers in your country	keep secret			
Other important remarks	Nil			

FACTORY MAIN EXPORTING MARKET

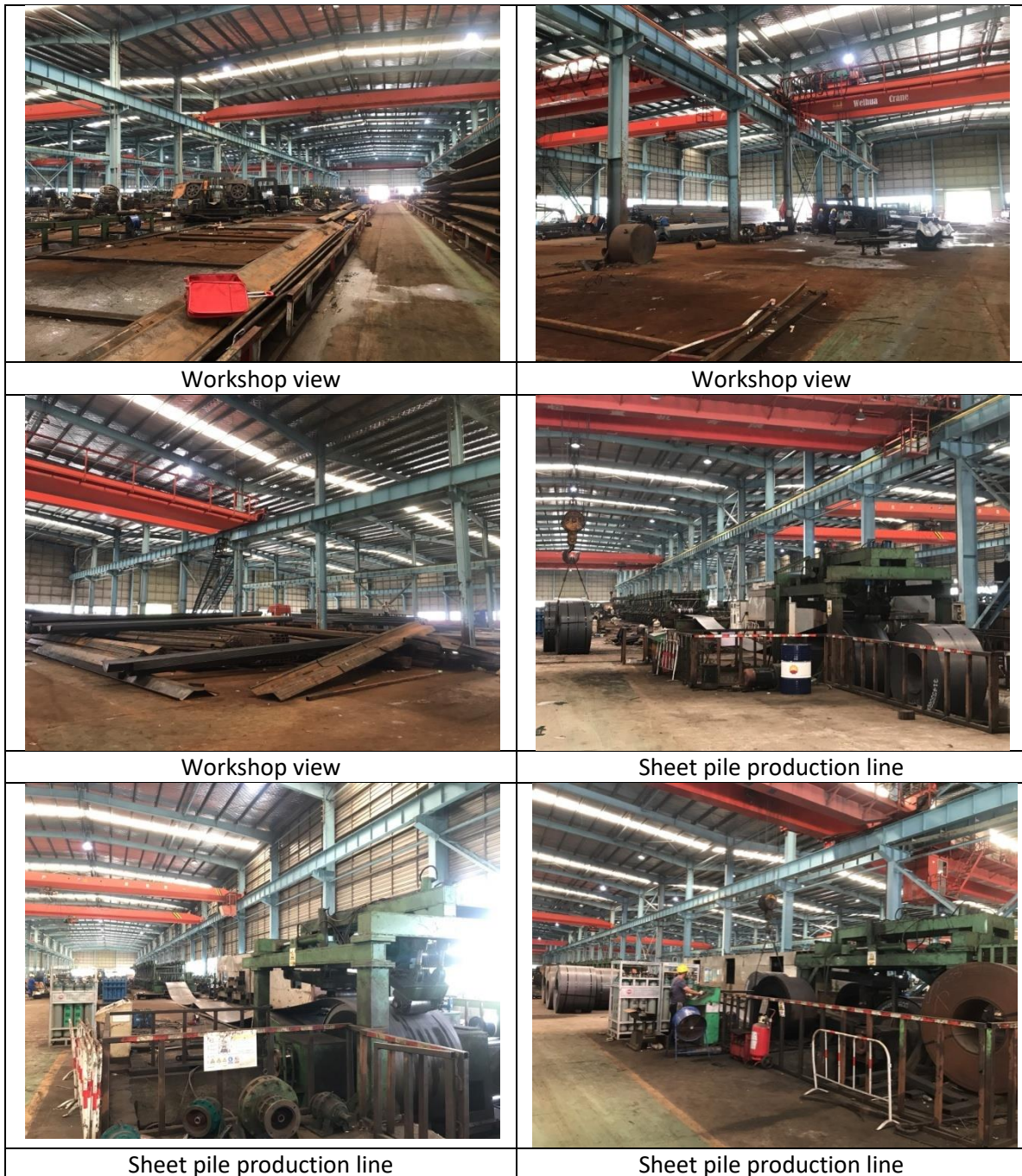


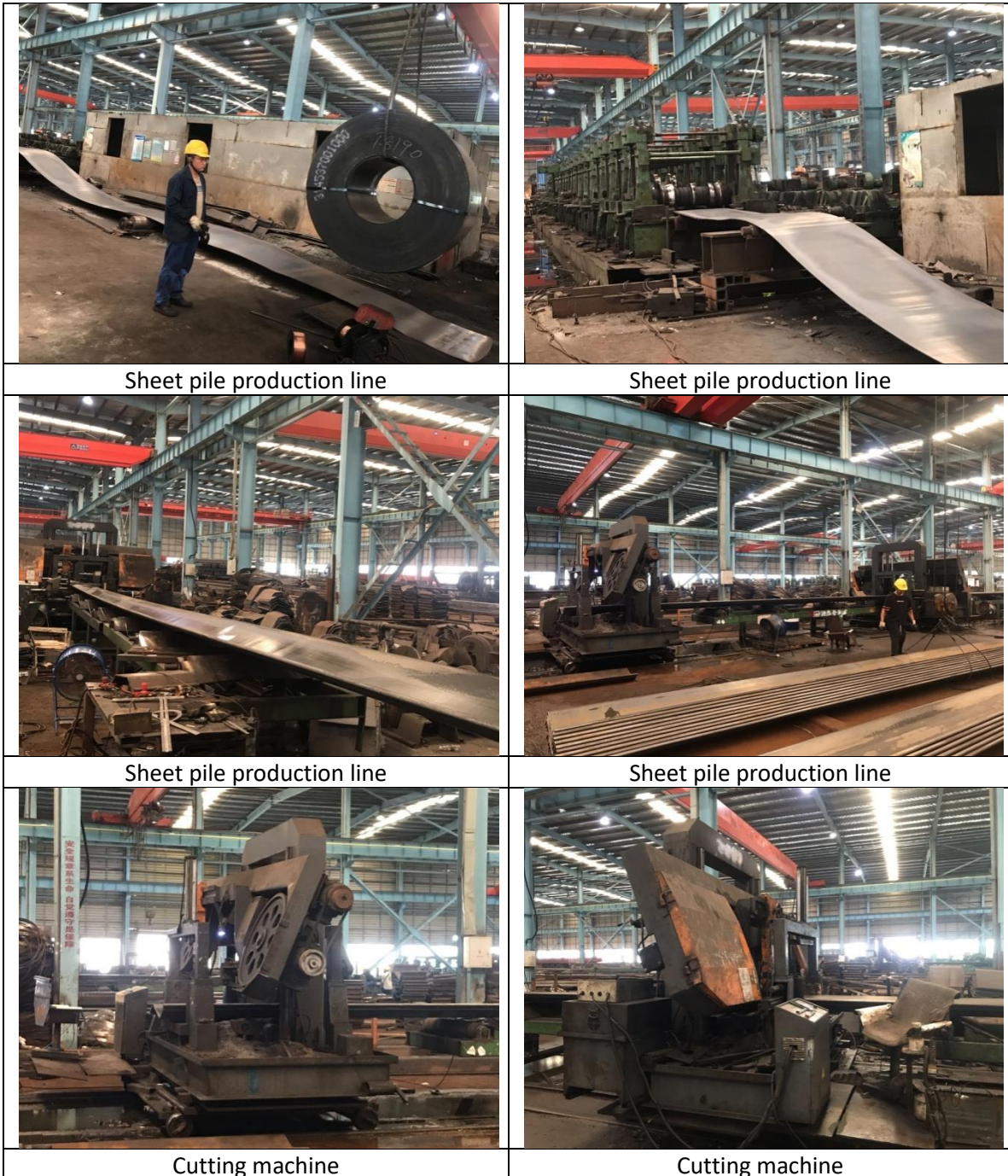
GENERAL ENVIRONMENT OF FACTORY					
Factory location	Big industrial zone				x
	Small industrial zone				
	Countryside				
	Individual house				
	Other:				
Does the factory have an office area?	YES	x	NO		
Factory total size (m2)	260,000 m²				
Factory outside appearance	Brand new facility				
	Nice outside appearance				
	Average				x
	Outdated and antique				
Workshop overall impression	Clean and well organised				x
	Clean but messy				
	Average				
	Dirty but well organised				
	Old machines				
Workers appearance	Wear factory uniform				x
	Do not wear a factory uniform				
Machines and equipments	No machines				
	Brand new machines				
	Old machines				
	Mix of brand new and old machines				x
Warehouse	Tidy		average	x	messy
Does factory have separate warehouse for finish and semi-finished goods?	YES	x	NO		
Are the stored goods placed on wooden pallet in order to avoid contact of products with floor?	YES	x	NO		
Are the stored goods protected from dust or dirt?	YES		NO		x
Overall, is the warehouse clean?	YES		NO		x
Workers dormitory	No				
Workers Canteen	Yes				
Other important remarks	Meeting room				

FACTORY PRODUCTION CAPACITY				
Number of production workers at factory	140 workers			
Number of workshops	8			
Number of production lines	38pcs Light steel frame production line			
Description of machines and equipment for each workshop	Sheet pile production equipment-5 sets			
	Flame cutting-2 sets			
Average lead time (days)	Within 60 days			
Working hours of production	Normal season		Peak season	
	8 hours per day		12 hours per day	
Number of working shifts	2			
Number of goods the factory can produce monthly (all factory product range included)	1000 Tons per day			
For the intended product you want to purchase, what are the production process factory can make inhouse?	All product was made in factory			
For the intended product you want to purchase, what are the production process the factory has to outsource?	Hot coil and coating material			
Does the factory think the production of your intended product is easy to realize? If not, what is the main difficulty?	YES	x	NO	
Does the factory have a design department?	YES	x	NO	
Other important remarks	Nil			

FACTORY ENVIRONMENT & FACTORY PRODUCTION CAPACITY

ILLUSTRATIVE PICTURES





	
Coating line	Coating line
	
Coating line	Coating line
	
Coating line	Coating line

	
Coating line	Raw materials in workshop
	
Raw materials in workshop	Raw materials in workshop
	
Raw materials in workshop	Raw materials label

	
<p>Raw materials in workshop</p>	<p>Mould in workshop</p>
	
<p>Finished production in workshop</p>	<p>Finished production in workshop</p>
	<p>Nil</p>
<p>Waste in workshop</p>	<p>Nil</p>

FACTORY BUSINESS AND PRODUCTION STATUS AT AUDIT DATE				
Number of orders under production at audit Date	5 orders			
What business season is it for the factory?	Busy	<input checked="" type="checkbox"/>	Normal	<input type="checkbox"/>
Business tendency this year for factory	Fast growth			<input type="checkbox"/>
	Stable compared to last year			<input checked="" type="checkbox"/>
	Decrescent compared to last year			<input type="checkbox"/>
Except your order, is the factory expecting a big order in the coming weeks?	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>

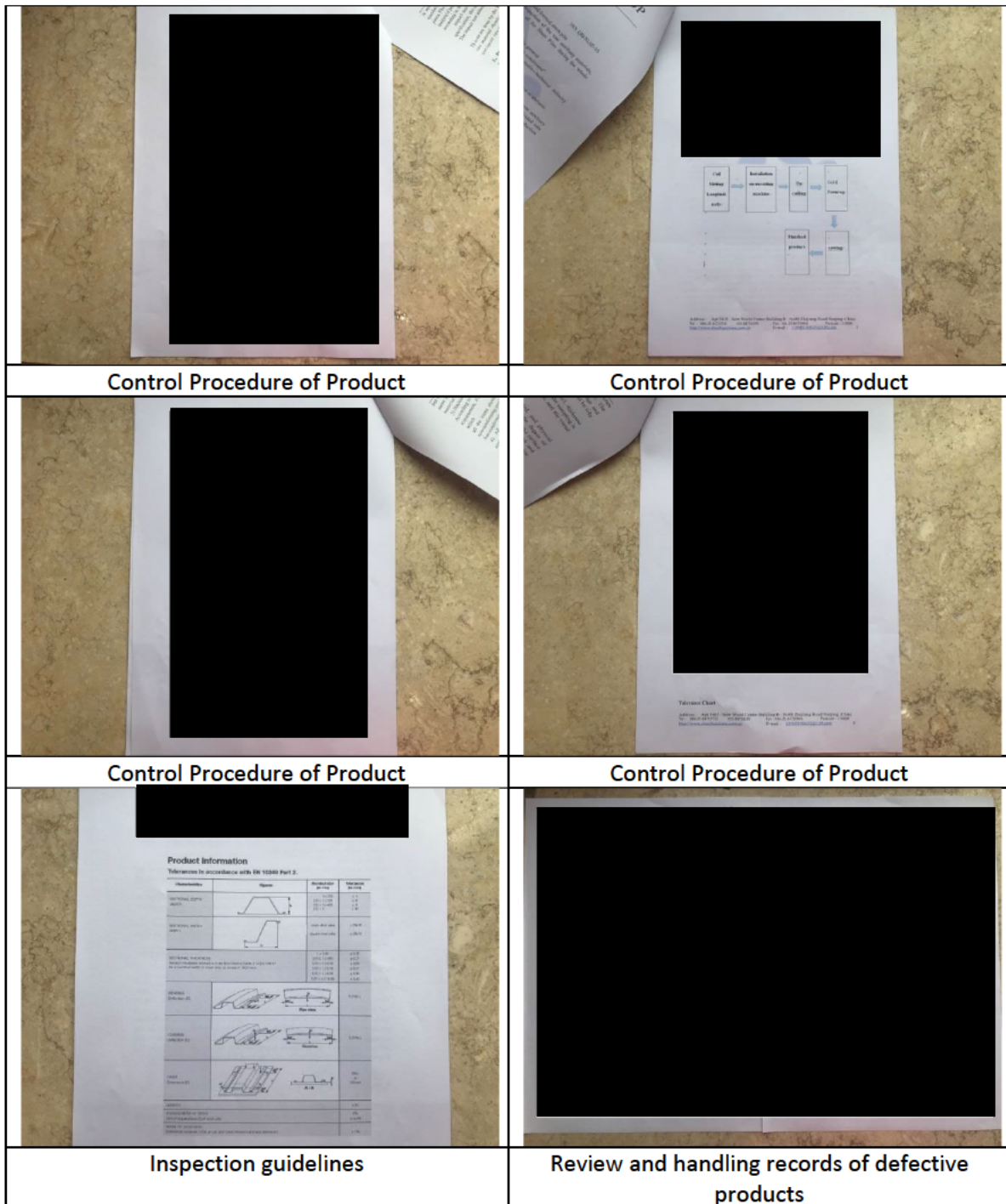
FACTORY INTERNAL QUALITY CONTROL PROCEDURE				
Does the factory have a quality control department?	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
Number of QC staffs	6			
Does the factory have a quality control at each stage of production?	YES	<input checked="" type="checkbox"/>	NO	<input type="checkbox"/>
How is organised the factory internal QC department?	Independent QC department, 1 QC manager, 5 QC staff. Factory said they would do QC according to internal QC standard.			
Does the factory control the raw material upon reception?	Yes, QC checking raw material during audit			
What is the raw material quality control document?	The "certificate of production quality" made by factory			
Does the factory have a quality control procedure when part of the production is outsourced? Which procedure is applied to outsourced production?	YES	<input checked="" type="checkbox"/>	NO	<input checked="" type="checkbox"/>
	No product was applied to outsourced production.			
What are the main internal quality control procedures of the factory?	DPI and FRI			
Does the factory have quality control records and documents, and if yes which ones?	YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>

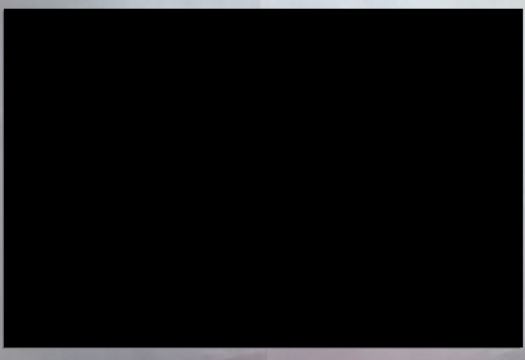

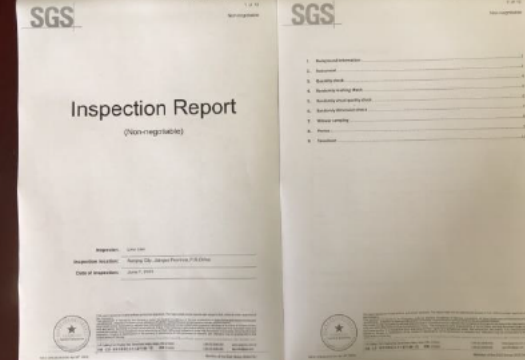
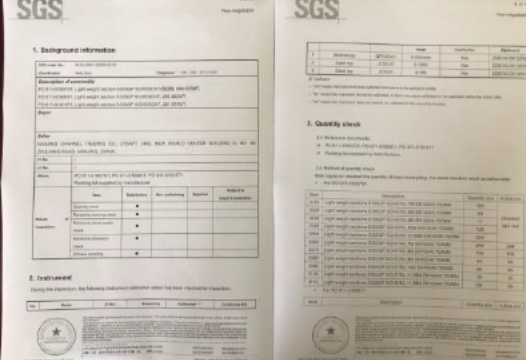
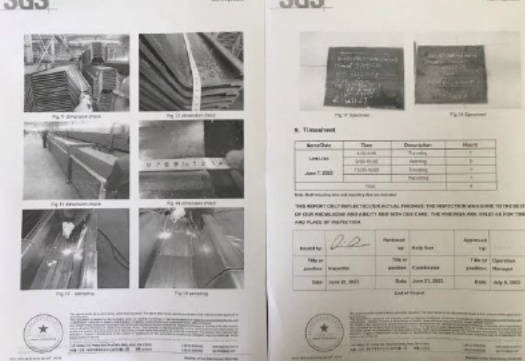
FACTORY CERTIFICATIONS				
Does the factory have any management system certification?	YES	X	NO	
Does the factory have original certification document?	YES	X	NO	
Does the factory know about the product certification needed to export to your country?	YES	X	NO	
Does the factory already have test reports or certification for the intended product?	YES	X	NO	

FACTORY QC CONTROL DOCUMENTS & CERTIFICATIONS PICTURES

	
Occupational health and safety management system certificate	Account opening permit
	
ISO-9001:2015 certificate	CE ECM certificate





	
<p>Corrective and preventive action</p>	<p>EMS Certificate of Registration-Xinyue Environmental Management System Certificate-Shunli</p>
	
<p>The third-part test report</p>	<p>The third-part test report</p>
	<p>Nil</p>
<p>The third-part test report</p>	<p>Nil</p>

FACTORY AUDIT OVERALL EVALUATION REMARKS:

1. [REDACTED] a supplier, and also a trading company, while [REDACTED] is a manufacturer.
2. [REDACTED] has an in-house painting workshop, Asiaction inspector only witnessed the painted steel pipes onsite but not the painted steel sheet piles. [REDACTED] told Asiaction inspector that painting procedure has not been arranged for steel sheet piles according to their current production schedule.
According to [REDACTED] they will arrange the painting / coating for the steel sheet piles according to client's requirements when request, and they will use burlap ropes to avoid damage to the painting / coating during transportation.
3. The workshop is big, all procedures including raw material storage, manufacturing area, semi-finished goods storage, and finished goods storage are there, however there are no signs to clearly indicate the area for each procedure.
4. According to [REDACTED] they can provide only 1-year warranty for product quality.
5. There are 40 staffs working in the office, and 120 workers in the production lines at [REDACTED]
6. [REDACTED] has following certificates:
 - 1) ISO45001:2018 Occupational Health and Safety Management System Certificate.
 - 2) ISO 9001:2015 Certificate.
 - 3) CE certificate of Compliance.
 - 4) ISO14001:2015 Environment Management Certificate.
 [REDACTED] has following certificates:
 - 1) ISO14001:2015 Environment Management Certificate.
 - 2) ISO 9001:2015 Certificate.
7. [REDACTED] said they will always arrange QC to inspect the incoming materials and finished products, but didn't keep any inspection reports, hence, Asiaction cannot confirm this point.
The documentation [REDACTED] can provide are the quality certificates issued by their suppliers (not 3rd party / reputable labs such as SGS) for the incoming materials, and [REDACTED] will as well issue quality certificates (not 3rd party / reputable labs such as SGS) for the productions to their customers before shipping.

END OF REPORT

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