




Sedex Members Ethical Trade Audit Report

Version 6.0



Audit Details

Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC-1073283	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS-Not Provided
Business name (Company name):	Cheer Sagar Exports		
Site name:	Cheer Sagar Exports		
Site address: <i>(Please include full address)</i>	G-171-173, EPIP, Sitapura, Jaipur- 302022	Country:	India
Site contact and job title:	Mr. Lalit Mohan Sharma- HR Manager		
Site phone:	+91-141-4094200	Site e-mail:	hrd@cheersagarexports.com
SMETA Audit Type:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety	<input type="checkbox"/> Environment <input type="checkbox"/> Business Ethics
Date of Audit:	28/03/2018		
Audit Company Name & Logo:		Report Owner (payee):	
		M/s Cheer Sagar Exports	

Audit Conducted By

Commercial	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Brand owner	<input type="checkbox"/>	NGO	<input type="checkbox"/>	Trade Union	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)			

Audit Content:

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.0 April 2017 was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.

(2) The audit scope was against the following reference documents

2-Pillar SMETA Audit

- ETI Base Code
- SMETA Additions
 - Universal rights covering UNGP
 - Management systems and code implementation,
 - Responsible Recruitment
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,

4-Pillar SMETA

- 2-Pillar requirements plus
- Additional Pillar assessment of Environment
- Additional Pillar assessment of Business Ethics
- The Customer's Supplier Code (Appendix 1)

(3) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non compliances on both the audit report, CAPR and on Sedex.

(4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

- (1) Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non-compliances on both the audit report, CAPR and on Sedex.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Any exceptions to this must be recorded here (e.g. different sample size): None

Auditor Team (s) (please list all including all interviewers):

Lead auditor: Viresh .K

Team auditor: David Varghese

Interviewers: Viresh. K

Report writer: Viresh.K

Report reviewer: Monica Vyas Intertek

Date of declaration: **28/03/2018**

Note: The focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

Non-Compliance Table

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause) Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.</i>	Area of Non-Conformity <i>(Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)</i>				Record the number of issues by line*:			NC Findings Only <i>(note to auditor, summarise in as few words as possible NC's only)</i>	
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE		
OA	Universal Rights covering UNGP		<input type="checkbox"/>	<input type="checkbox"/>		05	Nil	None	
OB	Management systems and code implementation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	02	03	Nil	<ul style="list-style-type: none"> <i>Summary of Non-Compliance finding 1</i> Based from review of records & interaction with the management it was noted that facility is running in night shift for embroidery process from 8:00 pm to 5:00 am and had not obtained shift approval from chief inspector of factories for working in shifts. Further facility has applied on 00/00/0000 and waiting for the same. <i>Summary of Non-Compliance finding 2</i> It was noted during review of records that, factory is using four (04) labour contractors within the facility premises, out of that, 02 labour contractors required licence to undertake / execute any work through contract labour. However it was noted that, 02 labour contractors (Kasiwal & Company having 118 workers & and Jatin Enterprises having 94 workers) had not obtained required

									license from concerned Government authority to use contract labours. Further they have applied for the same on 28/03/2017.
1.	Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	Nil	Nil	Nil	None
2	<u>Freedom of Association</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	Nil	Nil	Nil	None
3	<u>Safety and Hygienic Conditions</u>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	09	Nil	Nil	<ul style="list-style-type: none"> <i>Summary of Non-Compliance finding 1</i> Based on tour of the facility it was noted that, Minor wall crack and seepage were found in the 2 out of 3 fabric storage room at ground floor (Block B) and further minor wall seepage found near to the embroidery section at basement floor (Block A) on the day of audit. <i>Summary of Non-Compliance finding 2</i> Based on tour of the facility it was noted that, Escape passage (Yellow lines and arrow marks) were faded in computer embroidery section at basement floor, Cutting section at first floor, Stitching section at second floor and semi-finished goods storage area, Dining hall at Terrace floor on the day of audit. <i>Summary of Non-Compliance finding 3</i> Based on the facility tour it was noted that, around 50% Escape passages were found blocked by Work in Process (WIP) bins and trollies in Cutting section, Stitching section at first and second floor on the day of audit. Further 1 out of 3 and 1 out of 2 exits were found partially blocked by WIP trollies in

									<p>floor also found without handrails. <i>Summary of Non-Compliance finding 9</i></p> <p>Based on tour of the facility it was noted that facility has not provided eye wash station in the washing section and chemicals handling areas.</p>
4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	Nil	Nil	Nil	None
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	Nil1	Nil	Nil	None
6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	Nil	Nil	Nil	None
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	Nil	Nil	Nil	None
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	Nil	Nil	Nil	None
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Nil	Nil	Nil	None
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Nil	Nil	Nil	None
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Nil	Nil	Nil	None
10B2	Environment 2-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Nil	Nil	Nil	None
10B4	<u>Environment 4-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Nil	Nil	Nil	None
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Nil	Nil	Nil	None
General observations and summary of the site:									

This annual audit was conducted by Intertek India Private Limited. Two auditors in one day assessed / verified the facility's operations against the ETI Base Code and local legislations on a sampling basis.

Site summary :

1. The products manufactured at this site are ladies & kid's garments and Made-up items
2. Overall responsibility for meeting the standards is taken by Mr. Lalit Mohan Sharma- HR Manager.
3. A total of 484 employees are currently working in the facility. There are 226 employees hired through 4 contractor for various production and security purpose. Out of 484 employees, 79 are female and 405 male employees. The Facility has not employed any foreign nationals.
4. The facility work six (6) days a week in two shifts including one (1) general shift and night shift (only computer embroidery) as below:
 - General Shift : 09:30 am to 6:15 pm
 - Night Shift: 8:00 pm to 5:00 am for embroidery only
 - Lunch break : 1:15 pm to 1:45 pm
 - Tea Break : 04:15 pm to 04.30 pm
 Weekly off Sunday
5. Employee's wages are fixed on monthly basis and paid by monthly basis on or before 7th of respective month.
6. The youngest worker on site was 19 years old.
7. There is no union at this factory.
8. Facility have peak season from January to June.
9. All workers said they were satisfied with their employment at the factory.
10. Facility has using 04 contractor for various production, House Keeping and Security services.
11. 26 Records were taken for 3 months from the period March 2017 to February 2018.
12. 26 workers (20 Male and 06 female) were selected for interview, they were interviewed as 4 groups of 5 employees and balance 06 workers were interviewed individually.
13. Salary to all employees including labour contractor employees is fixed on monthly basis and paid once in a month accordingly. Salary to all these employees is paid through bank transfer by 07th day of every month.
14. Legal minimum wage was paid to all the workers; the legal minimum wage was INR INR 5538.00 per month Salary to all employees including labour contractor employees is fixed on monthly basis and paid once in a month accordingly. Salary to all these employees is paid through bank transfer by 7th day of every month.
15. Legal minimum wage was paid to all the workers; the legal minimum wage was INR INR 5538.00 per month.

Issues Found**NC's****Management systems and code implementation:**

1. Based from review of records & interaction with the management it was noted that facility is running in night shift for embroidery process from 8:00 pm to 5:00 am and had not obtained shift approval from chief inspector of factories for working in shifts. Further facility has applied on 00/00/0000 and waiting for the same.
2. It was noted during review of records that, factory is using four (04) labour contractors within the facility premises, out of that, 02 labour contractors required licence to undertake / execute any work through contract labour. However it was noted that, 02 labour contractors (Kasliwal & Company having 118 workers & and Jatin Enterprises having 94 workers) had not obtained required license from concerned Government authority to use contract labours. Further they have applied for the same on 28/03/2017.

Safety and Hygienic Conditions:

1. Based on tour of the facility it was noted that, Minor wall crack and seepage were found in the 2 out of 3 fabric storage room at ground floor (Block B) and further minor wall seepage found near to the embroidery section at basement floor (Block A) on the day of audit.
2. Based on tour of the facility it was noted that, Escape passage (Yellow lines and arrow marks) were faded in computer embroidery section at basement floor, Cutting section at first floor, Stitching section at second floor and semi-finished goods storage area, Dining hall at Terrace floor on the day of audit.
3. Based on the facility tour it was noted that, around 50% Escape passages were found blocked by Work in Process (WIP) bins and trollies in Cutting section, Stitching section at first and second floor on the day of audit. Further 1 out of 3 and 1 out of 2 exits were found partially blocked by WIP trollies in stitching section and cutting section at first floor on the day of audit.
4. Based on tour of the facility it was noted that, around 60% of the first aid boxes in the production floor were with insufficient first aid contents on the day of audit.
5. Based on tour of the facility tour it was noted that, PPE not provided for overlock operators and further 30% of the overlock machines were found without eye guard on the day of audit.
6. Based on review of records and management interview it was noted that, Facility has not appointed competent electrician to handle the electrical systems in the facility.
7. Based on facility tour and interaction with employees it was noted that facility has not provided working canteen even though the strength is above 250. However lunch room is provided with adequate sitting capacity. Further it was also noted that facility does not have a canteen committee.

8. It was noted during the tour of the facility that facility had not provided hand rails to the 2 out of 4 staircase leading from (Inside staircases) basement to ground floor, ground floor to first floor, First floor to second floor. Further temporary ladder were provided in terrace floor also found without handrails.

9. Based on tour of the facility it was noted that facility has not provided eye wash station in the washing section and chemicals handling areas.

Observation:

0A Universal Rights covering UNGP:

- Based on interaction with management and review of records, it was noted that facility does not have a policy, endorsed at the highest level, covering human rights impacts and issues. Hence it is not communicated to all appropriate parties, including its own suppliers.
- Based on interaction with management and review of records, it was noted that facility does not identify their stakeholders and salient issues.
- Based on interaction with management and review of records, it was noted that facility does identify direct, indirect, and potential impacts on stakeholder's human rights. Hence no remedial action in place.
- Based on interaction with management and review of records, it was noted that facility does not have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.
- Based on interaction with management, and review of records, it was noted that facility does not have a written policy and procedures specific to land rights.

0B Management systems and code implementation

- Based on interaction with management and review of records, it was noted that facility does not have policy/ethical code for their suppliers. Further, ETI base code is also not communicated to suppliers.
- Based on interaction with management, it was noted that facility does not have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title.
- Based on interaction with management, and review of records, it was noted that facility does not have a written policy and procedures specific to land rights.

Good example: None

Positive observations:

1. There is no evidence of child labour and forced labour.
2. There is no evidence of any discrimination, harassment and abuse or unfair disciplinary practices.
3. The facility has provided applicable legal minimum wages for all the employees.

**Please note the table above records the total number of Non-compliances (NC), Observations (Obs) and Good Examples (GE). This gives the reviewer an indication of problem areas but does not detail severities of each issue – Reviewers need to check audit results by clause.*

Site Details

Site Details																									
A: Company Name:	M/s Cheer Sagar Exports																								
B: Site name:	M/s Cheer Sagar Exports																								
C: Applicable business and other legally required licence numbers and documents for example, business license no, liability insurance, any other required government inspections	Factory license No. – RJ/ 28586 for employing 450 employees, Valid till – 31/03/2020																								
D: Products/Activities at site, for example, garment manufacture, electricals, toys, grower	Manufacturing of Garments for Ladies & Kids and Made up Items.																								
E: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<p>The facility is located at G-171-173, EPIP, Sitapura, Jaipur-302022, India. The total land area occupied by the facility is about 4600 Sq. Mt and covered area of the facility is 95000 Sq. Feet. Facility has started its operation at current location since 1996. The facility is into the Manufacturing and exporting of Garments for ladies and kids and Made up Items.</p> <p>In view of the facilities, the facility consists of on basement, ground and first, second and third floor of the buildings. The details are as follows:</p> <table border="1"> <thead> <tr> <th>Production Building no</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Basement</td> <td>Fabric Store, Accessory store, Computer embroidery, Hand Embroidery, Digital Printing</td> <td>None</td> </tr> <tr> <td>Ground floor</td> <td>Offices and Sampling</td> <td>None</td> </tr> <tr> <td>First floor</td> <td>Cutting, Stitching, Washing, Finishing, Packing.</td> <td>None</td> </tr> <tr> <td>Second floor</td> <td>Cutting, Stitching. Finishing</td> <td>None</td> </tr> <tr> <td>Third Floor(Roof Floor)</td> <td>Fabric Stock Room , Lunch Room</td> <td>None</td> </tr> <tr> <td>Peripheral area</td> <td>Diesel generator set, security guard room(2) , Electrical Panels, Washing, Crèche , ETP , Toilets</td> <td>None</td> </tr> <tr> <td>Is this a shared building?</td> <td>No</td> <td>None</td> </tr> </tbody> </table>	Production Building no	Description	Remark, if any	Basement	Fabric Store, Accessory store, Computer embroidery, Hand Embroidery, Digital Printing	None	Ground floor	Offices and Sampling	None	First floor	Cutting, Stitching, Washing, Finishing, Packing.	None	Second floor	Cutting, Stitching. Finishing	None	Third Floor(Roof Floor)	Fabric Stock Room , Lunch Room	None	Peripheral area	Diesel generator set, security guard room(2) , Electrical Panels, Washing, Crèche , ETP , Toilets	None	Is this a shared building?	No	None
Production Building no	Description	Remark, if any																							
Basement	Fabric Store, Accessory store, Computer embroidery, Hand Embroidery, Digital Printing	None																							
Ground floor	Offices and Sampling	None																							
First floor	Cutting, Stitching, Washing, Finishing, Packing.	None																							
Second floor	Cutting, Stitching. Finishing	None																							
Third Floor(Roof Floor)	Fabric Stock Room , Lunch Room	None																							
Peripheral area	Diesel generator set, security guard room(2) , Electrical Panels, Washing, Crèche , ETP , Toilets	None																							
Is this a shared building?	No	None																							

	<p>For below, please add any extra rows if appropriate.</p> <p>Visible structural integrity issues (large cracks) observed and without structural engineer evaluation</p> <p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>Details: Not applicable</p>
<p>F: Site function:</p>	<p><input type="checkbox"/> Agent</p> <p><input checked="" type="checkbox"/> Factory Processing/Manufacturer</p> <p><input type="checkbox"/> Finished Product Supplier</p> <p><input type="checkbox"/> Grower</p> <p><input type="checkbox"/> Homeworker</p> <p><input type="checkbox"/> Labour Provider</p> <p><input type="checkbox"/> Pack House</p> <p><input type="checkbox"/> Primary Producer</p> <p><input type="checkbox"/> Service Provider</p> <p><input type="checkbox"/> Sub-Contractor</p>
<p>G: Month(s) of peak season: (if applicable)</p>	<p>January to June</p>
<p>H: Process overview: <i>(Include products being produced, main operations, number of production lines, main equipment used)</i></p>	<ul style="list-style-type: none"> The facility is involved in the Manufacturing and exporting of ladies and kids garments and made-up items. The main production processes are listed as follows: Raw materials (Fabric) -Cutting-Stitching –Washing--Washing- Finishing- Packing-Dispatch Main equipment's/machineries used by facility are sewing machines, cutting machines, Pressing tables, washing machines, Non IBR Boiler, Effluent Treatment Plant, Diesel Generator set, Air Compressor.
<p>I: What form of worker representation / union is there on site?</p>	<p><input type="checkbox"/> Union (name)</p> <p><input checked="" type="checkbox"/> Worker Committee</p> <p><input type="checkbox"/> Other (specify)</p> <p><input type="checkbox"/> None</p>
<p>J: Is there any night production work at the site?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
<p>K: Are there any on site provided worker accommodation buildings e.g. dormitories</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>If yes approx. % of workers in on site accommodation</p>
<p>L: Are there any off site provided worker accommodation buildings</p>	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>If Yes approx. approx. % of workers.</p>
<p>M: Were the site provided</p>	<p><input type="checkbox"/> Yes</p>

accommodation buildings included in this audit

No

If No, please give details: Facility had not Provided accommodation to their employees and it is not legally required.

Audit Parameters			
A: Time in and time out	Day 1 Time in: 10.00 am Day 1 Time out: 06.00 pm	Day 2 Time in: Not Applicable Day 2 Time out: Not applicable	Day 3 Time in: Not Applicable Day 3 Time out : Not Applicable
B: Number of Auditor Days Used:	2 man-days (02 auditor in 1 day)		
C: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other – Define		
D: Was the audit announced?	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail: Not Applicable <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, why not – NA		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause – Not applicable.		
G: Who signed and agreed CAPR (Name and job title)	Mr. Lalit Mohan Sharma- HR Manager		
H: Is further information available (if Y please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	Not applicable		
J: Previous audit type:	Not applicable		
K: Was any previous audit reviewed during this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i>	Worker committee member were busy in production.		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	No union exist in the facility and not required by law.		

Worker Analysis

“ The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national and where they do not intend to remain permanently or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity

Worker Analysis								
	Local			Migrant*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – Male	221	00	184	00	00	00	00	405
Worker numbers – female	46	00	33	00	00	00	00	79
Total	267	00	217	00	00	00	00	484
Number of Workers interviewed – male	10	00	10	00	00	00	00	20
Number of Workers interviewed – female	03	00	03	00	00	00	00	06
Total – interviewed sample size	13	00	13	00	00	00	00	26

A: Nationality of Management	Indian
B: Majority nationality of workers	Main countries: Country 1: India ___ approx % total workforce 100___ Country 2: _____ approx % total workforce_____ Country 3: _____ approx % total workforce_____
C: Worker remuneration (management information)	_____% workers on piece rate _____% hourly paid workers _100___% salaried workers Payment cycle: _____% daily paid _____% weekly paid 100___% monthly paid _____% other – please give details

Worker Interview Summary	
A: Were workers aware of the audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Number of group interviews: <i>(Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria. If the auditor was not able to follow the BPG, please state within the declaration)</i>	4 group of 5 employees
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	Male: 06 Female: 00
E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors. <i>Note to auditor: please record details of migrant /agency/contractor workers in section 8 – Regular Employment, under Responsible Recruitment</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If N, please give details : Not applicable
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
H: What was the most common worker complaint?	Employees do not have any complaints.
I: What did the workers like the most about working at this site?	Supportive Management.
J: Any additional comment(s) regarding interviews:	None
K: Attitude of workers to hours worked:	Good
L. Is there any worker survey information available?	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If Yes, please give details:</i>	
M: Attitude of workers: <i>(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk</i>	
26 workers (06 Female & 20 Male) were selected for interview, they were interviewed as 4 group of 5	

employees and balance 06 workers were interviewed individually.

The workers were assured of confidentiality and they spoke freely of their views of the factory. All workers said they were satisfied with their employment at the factory and that they were satisfied with the current wages which in their view were in line with wages in the locality. They felt free to leave this employer and understood the notice period required. They had good relationships with their supervisors who treated them with respect. They were able to make suggestions to their supervisors and team leaders and sometimes they had seen these suggestions used. They felt able to complain directly to their supervisors but also felt free to give their general concerns to their grievance representative who would take it to the management.

N: Attitude of worker's committee/union reps:

(Include their attitude to management, workplace, and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

Based from the interaction with workers committee representative, it was noted that workers committee representative are not discriminated and their grievances stated by the workers were effectively solved by the facility management. Further no negative comments were received.

O: Attitude of managers:

(Include attitude to audit, and audit process. Both positive and negative information should be included)

The facility management was found to be cooperative throughout the audit and accepted to take necessary corrective action for the non-compliances noted.

Audit Results by Clause

0A: Universal Rights covering UNGP

[\(Click here to return to NC-table\)](#)

0.A. Guidance for Observations

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.

0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights

0.A.3 Businesses shall identify their stakeholders and salient issues.

0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

0.A.6 *Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.*

Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1. Based on review of records facility had not established a policy covering human rights impacts and issues.
2. Mr. Lalit Mohan Sharma- HR Manager is responsible for implementing standards concerning Human rights.
3. Based on review of records facility have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Facility Policies & Procedures
- ETI base code
- Interaction with Management and Interview with employees

Any other comments: None

<p>A: Policy statement that expresses commitment to respect human rights?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Facility had not established a policy covering human rights impacts and issues.</p>
<p>B: Does the business have a designated person responsible for implementing standards concerning Human Rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Name: Mr. Lalit Mohan Sharma- HR Manager</p>
<p>C: Does the businesses have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility had provided a following grievance mechanism for confidential reporting and anonymously without fear of retaliation any breaches of policies and procedures.</p> <ol style="list-style-type: none"> 1. Forum like mailers, worker committee, social network, suggestion box, Hotline number and direct reporting to responsible person.
<p>D: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility do not have "Data Privacy policy" to ensure all worker, supplier and customer information is confidential</p>

Findings	
<p>Description of observation:</p> <p>Findings : Based on interaction with management and review of records, it was noted that facility does not have a policy, endorsed at the highest level, covering human rights impacts and issues. Hence it is not communicated to all appropriate parties, including its own suppliers.</p> <p>Local Law or ETI requirement: 0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.</p> <p>Comments: It is recommended that facility shall have documented policy, endorsed at the highest level, covering human rights impacts and issues. Further, policy shall be communicated to all appropriate parties, including its own suppliers.</p>	<p>Objective evidence observed:</p> <p>Review of records and management interaction</p>

<p>Findings :</p> <p>Based on interaction with management and review of records, it was noted that facility does not identify their stakeholders and salient issues.</p> <p>Local Law or ETI requirement: 0.A.3 Businesses shall identify their stakeholders and salient issues.</p> <p>Comments:</p> <p>It is recommended that facility shall identify their stakeholders and salient issues.</p> <p>Finding: Based on interaction with management and review of records, it was noted that facility does identify direct, indirect, and potential impacts on stakeholder's human rights. Hence no remedial action in place.</p> <p>Local Law or ETI requirement: A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.</p> <p>0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation</p> <p>Comments:</p> <p>It is recommended that facility shall identify direct, indirect, and potential impacts on stakeholder's human rights. Remedial action shall be taken and documented in case of impact is notices.</p> <p>Finding: Based on interaction with management and review of records, it was noted that facility does not have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.</p> <p>Local Law or ETI requirement: 0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter</p> <p>Comments:</p> <p>It is recommended that facility shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.</p> <p>Finding: Based on interaction with management, and review of records, it was noted that facility does not have a written policy and procedures specific to land rights.</p> <p>Local Law or ETI requirement: 0.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant</p>	<p>Review of records and management interaction</p> <p>Review of records and management interaction</p> <p>Review of records and management interaction</p> <p>Review of records and management interaction</p>
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<p>land rights have been complied with</p> <p>Comments: It is recommended that facility shall develop a written policy and procedures specific to land rights.</p>	
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Good examples observed:	
Description of Good Example (GE): None Observed	<p>Objective Evidence Observed: Not applicable</p>

Measuring Workplace Impact

Workplace Impact		
A: Annual worker turnover: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	Last year: _15___ %	This year 12___ %
B: Current % quarterly (90 days) turnover: Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1 st day of 90 day period + number of employees on the last day of the 90 day period) / 2]	10 %	
C: Annual % absenteeism: Number of days lost through job absence in the year / [(number of employees on 1 st day of the year + number employees on the last day of the year / 2] * number available workdays in the year	Last year: 16___ %	This year _15___ %
D: Quarterly (90 days) % absenteeism: Number of days lost through job absence in the period / [(Number of employees on 1 st of the period + Number of employees on the last day of the period / 2] * Number of available workdays in the month	12 %	
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Facility had maintained Form-26 & 26A, however no accidents were occurred till date.	
F: Annual Number of work related accidents and injuries per 100 workers: [Number of work related accidents and injuries * 100) / Number of total workers]	Last year: No accidents and injuries were occurred till date. Number:	This year: No accidents and injuries were occurred till date. Number:
G: Quarterly (90 days) number of work related accidents and injuries per 100 workers: [Number of work related accidents and injuries * 100) / Number of total workers]	No accidents and injuries were occurred till date.	No accidents and injuries were occurred till date.
H: Lost day work cases per 100 workers: [(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]	Last year: No accidents and injuries were occurred till date.	This year: No accidents and injuries were occurred till date.
I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:	6 months _0___% workers	12 months _0___% workers
J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:	6 months _0___% workers	12 months _0___% workers

0B: Management system and Code Implementation

[\(click here to return to NC Table\)](#)

- 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
- 0.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with
- 0.B.3 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
- 0.B.4 Suppliers are expected to communicate this Code to all employees.
- 0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1. Based from facility tour and review of records, facility has not displayed ETI code of conduct on notice board and not communicated to employees.
2. Mr. Lalit Mohan Sharma- HR Manager is responsible for compliance with the code.
3. Based on review of records that facility had obtained legally required Business license and approved plant layout from the concerned authority.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Facility Policy and Procedures
- Business License is valid up to 31/03/2020
- Approved plant layout dated 18/01/2017.
- ETI base code
- Interaction with Management and Interview with employees

Any other comments: None

Management Systems:

<p>A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe: As per employees interaction, No such fine imposed on the site till date.</p>
<p>B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe: It was noted from interaction</p>

	with management that facility has displayed factory abstracts in the facility.
C: If Yes, is there evidence (an indication) of effective implementation? Please give details.	Not applicable
D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Not applicable
E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	<input type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Not applicable
F: Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe:
G: Is there a Human Resources manager/department? If Yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Facility had dedicated HR department to take care of HR activities.
H: Is there a senior person /manager responsible for implementation of the Code	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Mr. Lalit Mohan Sharma- HR Manager is responsible for compliance with the code.
I: Is there a policy to ensure all worker information is confidential	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe: Facility do not have "Data Privacy policy" to ensure all worker information is confidential.
J: Is there an effective procedure to ensure confidential information is kept confidential	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Facility had a system to ensure the same whether the information was shared on a need to know basis only.
K: Are risk assessments conducted to evaluate policy and procedure effectiveness?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Facility has a system of conducting internal audit to evaluate the effectiveness of policy and procedures.
L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Based on the interaction with the management and review of record that effective action has been taken for the risk assessment.

<p>M: Does the facility have a policy/code which require labour standards of its own suppliers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Facility has policy which requires labour standards of its own suppliers.</p>
<p>Land rights</p>	
<p>N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Facility had obtained "Business License" and "Approved Plant Layout" from the concerned authority which is found valid.</p>
<p>O: Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Facility have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title.</p>
<p>P: Does the site have a written policy and procedures specific to land rights. If yes, does it include any due diligence the company will undertake to obtain free, prior and informed consent, (FPIC) even if national/local law does not require it</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, how does the company obtain FPIC: Facility does not have written policy and procedures specific to land rights?</p>
<p>Q: Is there evidence that facility site compensated the owner/lessor for the land prior to the facility being built or expanded. Please give details.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Facility had compensated the owner for the land prior to the facility being built.</p>
<p>R. Does the Facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts Please give details.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Facility had converted non-agriculture land to the facility which does not adhere any adverse effect.</p>
<p>S: Is There any evidence of illegal appropriation of land for facility building or expansion of footprint.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Details: Not applicable</p>

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law: NC against customer code:

Based from review of records & interaction with the management it was noted that facility is running in night shift for embroidery process from 8:00 pm to 5:00 am and had not obtained shift approval from chief inspector of factories for working in shifts. Further facility has applied on 00/00/0000 and waiting for the same.

Local law

In accordance with Factories Act 1948, Chapter XI, Section 108, The State Government may prescribe forms of the notice required by sub-section (1) and the manner in which it shall be maintained.(9) In the case of a factory beginning work after the commencement of this Act, a copy of the notice referred to in subsection

(1) Shall be sent in duplicate to the Inspector before the day on which work is begun in the factory.

ETI requirement

B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with

Recommended corrective action:

It is recommended to the facility to obtain shift approval from chief inspector of factories for working in shifts.

Action by : Mr. Lalit Mohan Sharma / HR Manager

Time Scale : 90 Days

Verification Method : Desktop

Objective evidence observed:

(where relevant please add photo numbers) -

Records review

2. Description of non-compliance:

NC against ETI NC against Local Law: NC against customer code:

It was noted during review of records that, factory is using four (04) labour contractors within the facility premises, out of that, 02 labour contractors required licence to undertake / execute any work through contract labour. However it was noted that, 02 labour contractors (Kasliwal & Company having 118 workers & and Jatin Enterprises having 94 workers) had not obtained required license from concerned Government authority to use contract labours.

Further they have applied for the same on 28/03/2017.

Local law .

In accordance with Contract Labour (Regulation and Abolition Act) 1970,Section 12, (1), no contractor to whom this act applies shall undertake or execute any work through contract labour except under and in accordance with a license issued in that behalf by the appropriate authority.

ETI requirement

B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant

Objective evidence observed:

(where relevant please add photo numbers)

Records review

<p>land rights have been complied with</p> <p>Recommended corrective action: It is recommended to the factory to engage licensed labour contractor in the factory.</p> <p>Action by : Mr. Lalit Mohan Sharma / HR Manager</p> <p>Time Scale : 90 Days</p> <p>Verification Method : Desktop</p>	
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Observation:	
<p>Description of observation:</p> <p>Finding: Based on interaction with management and review of records, it was noted that facility does not have policy/ethical code for their suppliers. Further, ETI base code is also not communicated to suppliers.</p> <p>Local Law or ETI requirement: O.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.</p> <p>Finding: Based on interaction with management, it was noted that facility does not have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title.</p> <p>Local Law or ETI requirement: O.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with.</p> <p>Finding: Based on interaction with management, and review of records, it was noted that facility does not have a written policy and procedures specific to land rights.</p> <p>Local Law or ETI requirement: O.B.2 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with</p>	<p>Objective evidence observed:</p> <p>Review of records and management interaction</p> <p>Review of records and management interaction</p> <p>Review of records and management interaction</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observation</p>	<p>Objective evidence observed: Not applicable</p>

1: Freely Chosen Employment

[\(Click here to return to NC-table\)](#)

ETI

- 1.1 There is no forced, bonded or involuntary prison labour.
- 1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1. Based from employees' interview, the facility does not require any deposit or deposit of employee's identification such as education certificates, passport etc.,
2. Based from employee's interview, the facility does not limit the employee's freedom in any way.
3. Based from the facility tour and interview with employees, there are no evidences of involuntary labour.
4. Based from employee's interview, all are free to leave their employment by giving reasonable notice.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Appointment Letter of 26 out of 26 selected samples and Payroll records.
- Interaction with Management and Interview with employees.

Any other comments: None

<p>A: Is there any evidence of retention of original documents, e.g. passports/ID's</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes please give details and category of workers affected</p>
<p>B: Is there any evidence of a loan scheme in operation</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes please give details and category of worker affected</p>
<p>C: Is there Any evidence of retention of wages /deposits</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes please give details and category of worker affected</p>
<p>D: Are there any restrictions on workers' freedom to terminate employment?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe finding:</p>

<p>E: If any part of the business is UK based / registered & turnover is 36m+ there is a requirement to publish a 'modern day slavery statement. F: Is there a modern day slavery statement published</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please describe finding:</p> <p><input checked="" type="checkbox"/> Not applicable</p>
<p>G: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please describe finding:</p>
<p>H: Does the site understand the risks of forced / trafficked / bonded labour in it's supply chain</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes please give details and category of workers affected:</p> <p><input checked="" type="checkbox"/> Not applicable</p>
<p>I: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please describe finding: Facility does not involve on any forced / trafficked labour.</p>

Non-compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: None Observed</p> <p>Local law and/or ETI requirement Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p> <p>Not applicable</p>
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Observation:

<p>Description of observation: None Observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>
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Good Examples observed:	
Description of Good Example (GE): None Observed	Objective evidence observed: Not applicable

2: Freedom of Association and Right to Collective Bargaining are Respected

[\(Click here to return to NC-table\)](#)
[\(Click here to return to Key Information\)](#)

ETI

- 2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- 1. Based from employee's interview, employees can approach top management directly to report their grievances and necessary corrective action is taken by the management.
- 2. Based from employee's interview, the facility does not restrict employees from organizing trade unions and has an open mind approach towards the activities of trade unions and their organizational activities.
- 3. There is workers committee at the site, worker representatives were elected by employees.
- 4. Facility has formed a Workers Committee and conducted meetings once in three month and the minutes of meetings are recorded for verification and future reference.
- 5. There is no union at the site.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Suggestion Box.
- Works Committee Minutes dated 17/01/2018
- Interaction with Management and Interview with employees.
- Employee handbook and employment contracts were reviewed. They both stated that employees are free to form trade unions. Nobody will be treated differently whether they are members of the union.

Any other comments: None

<p>A: What form of worker representation/union is there on site?</p>	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None	
<p>B: Is it a legal requirement to have a union?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<p>C: Is it a legal requirement to have a worker's committee?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<p>D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee) e.g. H&S, sexual harassment</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Describe: Facility has provided suggestion box, where employees are free to express their problems / suggestions / complaints for any grievances. While interviewing, all employees reported that they are free to approach the management for any problem. Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<p>E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Not applicable, as union does not exist in the facility also not required by law.	
<p>F: Name of union and union representative, if applicable:</p>	<p>No union exists in the facility.</p>	<p>Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>
<p>G: If no union what is parallel means of consultation with workers e.g. worker committees?</p>	<p>Worker committees existed in facility.</p>	<p>Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
<p>H: Are all workers aware of who their representatives are?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>Mr. Sushant Singh- Checker is representative</p>
<p>I: Were worker representatives freely elected?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>Date of last election: 27/03/2017</p>
<p>J: Do workers know what topics can be raised with their representatives?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>Facility policy and procedure</p>
<p>K: Were worker representatives/union representatives interviewed</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please state how many: 1	
<p>L: State any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.</p>	<p>Facility had conducted last meeting on 17/01/2018. Topics discussed during the committee meeting were regarding Facility policy and procedure issues.</p>	

M: Are any workers covered by Collective Bargaining Agreement (CBA)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
N: If Yes what percentage by trade Union/worker representation	<u> 0 </u> % workers covered by Union CBA	<u> 0 </u> % workers covered by worker rep CBA
O: If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable	

Non-compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>None observed</p> <p>Local law: Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>
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Observation:

<p>Description of observation: None observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>
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Good Examples observed:

<p>Description of Good Example (GE): None observed</p>	<p>Objective evidence observed: Not applicable</p>
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3: Working Conditions are Safe and Hygienic

[\(Click here to return to NC-table\)](#)
[\(Click here to return to Key Information\)](#)

ETI

- 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- 3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.
- 3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- 3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1. General Health and Safety management

- Mr. Lalit Mohan Sharma- HR Manager is responsible for Health & Safety aspects for the site
- Potable water was freely available in all areas and test certificates were up-to-date
- Sufficient clean toilets were available at all times to workers
- Ventilation, temperature and lighting were adequate for the production processes

2. Fire Safety

- There were at least 2 exits from each work area and these were clearly marked.
- Fire fighting equipment such as 86 fire extinguishers, 21 hydrant pipe, 21 hose reel, 447 sprinkler point, 383 smoke detector and 20 fire alarm call point, and 30 emergency lights were provided.
- Evacuation diagrams were posted in all areas and understood by all workers interviewed
- Evacuation fire drill was conducted in every 3 month. Last fire drill was conducted on 06/01/2018.
- Facility has conducted firefighting training 36 employees on dated 06/012018.
- Facility has marked all the exits and emergency exits in understood by majority of the employees.

3. Machine & Electrical safety

- All machine and electrical equipment was maintained in good condition
- There were competent mechanic & electricians at the site to do the electrical work
- Facility had obtained periodic inspection certificate for all the machineries used

4. Chemical safety

- All chemicals were correctly labelled
- Material Safety Data Sheets were available for the chemicals used by the facility

5. Medical services

- Facility has provided well equipped first aid boxes as required by law

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Factory License – Valid up to 31/03/2020.
- Approved Building Plan dated 18/01/2017.
- Industrial accident records – Updated till February 2018
- First aid training was provided to 36 employees on 23/03/2018 and obtained the certificate which is valid for 3 years.
- Drinking Water Test report dated 12/03/2018.
- Fire Drill conducted once in 3 months.
- Fire-fighting training
- Interaction with Management and Interview with employees.

Any other comments: None

<p>A: Does the facility have general Health & Safety and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Details: Facility has framed Health & Safety and occupational Health & Safety policies and procedures.</p>
<p>B: Are the policies included in worker's manual?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Details: Facility had included the social compliance policies in worker's manual.</p>
<p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Details: Facility had maintained the approved plant layout as per the current setup of the building from inspector of factories.</p>
<p>D: Are visitors to the site informed on H&S and provided with personal protective equipment</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Details: Facility visitors are informed on H&S and provided with appropriate personal protective equipment.</p>
<p>E: Is a medical room or medical facility provided for workers? If yes, do the room(s) meet legal</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Details: Not applicable</p>

requirements and is the size/number of rooms suitable for the number of workers.	
F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Not required by Law
G: Where facility provides worker transport - it is fit for purpose, safe and maintained and operated by competent persons e.g. buses and other vehicles	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Details: Not legally required.
H: Secure personal storage space is provided for workers in their living space and is fit for purpose	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Not applicable
I: H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and there are controls to reduce identified risk	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Facility had conducted risk assessment and the appropriate corrective and preventive action has been by the facility for the identified risks.
J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: facility is meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources.
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Based on interaction with facility management that the facility does not use any banned chemicals and meet all the environmental standards based on customer requirement.

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

Based on tour of the facility it was noted that, Minor wall crack and seepage were found in the 2 out of 3 fabric storage room at ground floor (Block B) and further minor wall seepage found near to the embroidery section at basement floor (Block A) on the day of audit.

Local Law:

According to Section 7A(1 & 2c) of The Factories Act, 1948, (1) Every occupier shall ensure, so far as is reasonably practicable, the health safety and welfare of all workers while they are at work at factory.

(2) Without prejudice to the generality of the provisions of sub-section (1) , the matter to which such duty extends, shall include-

(c) the provision of such information, instruction , training and supervision as are necessary to ensure the health and safety of all workers at work.

ETI requirement

3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action:

It is recommended to the facility to repair maintain the building wall without crack and seepage.

Action by : Mr. Lalit Mohan Sharma-HR Manager

Time Scale : 60 Days

Verification Method : Desktop

Objective evidence observed:

Facility tour

Photo no. 1

/2 ##

2. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

Based on tour of the facility it was noted that, Escape passage (Yellow lines and arrow marks) were faded in computer embroidery section at basement floor, Cutting section at first floor, Stitching section at second floor and semi-finished goods storage area, Dining hall at Terrace floor on the day of audit.

Local Law:

In accordance with Factories Act 1948, Chapter IV, Section 38 (1), in every factory all practicable measures shall be taken to prevent outbreak of fire and its spread both internally and externally and to provide and maintain – (a) safe means of escape in all persons in the event of a fire and (b) the necessary equipment and facilities for extinguishing fire. (2) Effective measures shall be taken to ensure that in every factory, all the employees are familiar with means of escape in case of fire and have been adequately trained in the routine to be followed in such case.

ETI requirement

3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action:

It is recommended to the facility to remark the escape passages (Yellow lines and arrow marks) at all the faded area.

Action by : Mr. Lalit Mohan Sharma-HR Manager

Time Scale : 30 Days

Verification Method : Desktop

Objective evidence observed:

Facility tour
Photo#3/4 ##

3. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

Based on the facility tour it was noted that, around 50% Escape passages were found blocked by Work in Process (WIP) bins and trollies in Cutting section, Stitching section at first and second floor on the day of audit.

Further 1 out of 3 and 1 out of 2 exits were found partially blocked by WIP trollies in stitching section and cutting section at first floor on the day of audit.

Local Law:

In accordance with Factory Act 1948, Floors, stairs and means of access. In every factory--

all floors, steps, stairs, passages and gangways shall be of sound construction and properly maintained 3*[and shall be kept free from obstructions and substances likely to cause persons to slip], and where it is necessary to ensure safety, steps, stairs, passages and gangways shall be provided with substantial handrails; (b) there shall, so far as is reasonably practicable, be provided and maintained safe means of access to every place at which any person is at any time required to work;

ETI requirement

3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action:

It is recommended to the facility to provide the unobstructed escape passage all the time in the factory.

Action by : Mr. Lalit Mohan Sharma-HR Manager

Time Scale : 30 Days

Verification Method : Desktop

Objective evidence observed:

Facility tour

NC Photo#5/6 ##

4. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

Based on tour of the facility it was noted that, around 60% of the first aid boxes in the production floor were with insufficient first aid contents on the day of audit.

Local Law:

In accordance with Factories Act 1948, Chapter V, Section 45 (1) there shall in every factory be provided and maintained so as to be readily accessible during all working hours' first aid boxes equipped with the prescribed contents. First aid boxes with prescribed medicines and number of such first aid boxes to be provided and maintained shall not be less than one for every 150 workers. (2) Nothing except the prescribed contents shall be kept in a first-aid box or cupboard.

Contents of First Aid Box:

- a. 24 small sterilized dressings.
- b. 12 medium size sterilized dressings.
- c. 12 large size sterilized dressings.
- d. 12 large sizes burn dressings.
- e. Twelve (15 ml.) packets of sterilized cotton wool.
- f. One (200 ml.) bottle of cetrimide solution (1%) or a suitable antiseptic solution.
- g. One (200 ml.) bottle of mercurochrome (2%) solution in water.
- h. One (120 ml.) bottle of sal volatile having the dose and mode of administration on the label.
- i. One pair of scissors.
- j. One roll of adhesive plaster (6 cm x 1 meter)
- k. Two rolls of adhesive plaster (2 cms. x 1 meter).
- l. Twelve pieces of sterilized eye pads in separate sealed packets.
- m. A bottle containing 100 tablets (each of 5 grains) of aspirin or any other analgesic.
- n. 01 polythene wash bottle (500 c.c) for washing eyes.
- o. Twelve roller bandages 10 cms. Wide.
- p. Twelve roller bandages 5 cms. Wide.
- q. Six triangular bandages.
- r. One tourniquet.
- s. A supply of suitable splints.
- t. Two packets of safety pins.
- u. Kidney tray.
- v. A snakebite lancet.
- w. One (30 ml.) bottle containing potassium permanganate crystals.
- x. First aid leaflet issued by the Directorate General of Factory, Advise Service and Labour Institutes, Bombay.

ETI requirement

3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action:

It is recommended to the facility to provide sufficient first aid contents as required by law

Action by : Mr. Lalit Mohan Sharma-HR Manager

Time Scale : 30 Days

Verification Method : Desktop

Objective evidence observed:

Facility tour
Photo#7 ##

5. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

Based on tour of the facility tour it was noted that, PPE not provided for overlook operators and further 30% of the overlook machines were found without eye guard on the day of audit.

Local Law:

In accordance with Factories Act 1948, Chapter I, Section 7 (A) (1), every occupier shall ensure, so far as is reasonably practicable, the health, safety and welfare of all workers while they at the work in the factory.

ETI requirement

3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

Recommended corrective action:

It is recommended to the facility to ensure all workers are provided with effective training to wear PPE and eye guard throughout the working hours.

Action by : Mr. Lalit Mohan Sharma-HR Manager

Time Scale : 30 Days

Verification Method : Desktop

Objective evidence observed:

Facility tour

Photo#8 ##

6. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

Based on review of records and management interview it was noted that, Facility has not appointed competent electrician to handle the electrical systems in the facility.

Local Law:

In Accordance with Indian Electricity Rules 1956 Section 45. Precautions to be adopted by consumers 1[owners occupiers], electrical contractors, electrical workmen and suppliers-

(1) No electrical installation work, including additions, alterations, repairs and adjustments to existing installations, except such replacement of lamps, fans, fuses, switches, low voltage domestic appliances and fittings as in no way alters its capacity or character, shall be carried out upon the premises of or on behalf of any 2[consumer, supplier, owner or occupier] for the purpose of supply to such 2[consumer, supplier, owner or occupier] except by an electrical contractor licensed in this behalf by the State Government and under the direct supervision of a person holding a certificate of competency and by a person holding a permit issued or recognised by the State Government. Provided that in the case of works executed for or on behalf of the Central Government and in the case of installations in mines, oil fields and railways, the Central Government and in other cases the State Government may, by notification in the Official Gazette, exempt, on such conditions as it may impose, any such work described therein either generally or in the case of any specified class of 2[consumers, suppliers, owners or occupiers] from so much of this sub- rule as requires such work to be carried out by an electrical contractor licensed by the State Government in this behalf..

ETI requirement : Not Applicable

Recommended corrective action:

It is recommended to the facility to appoint competent electrician to handle the electrical systems in the facility as required by law.

Action by : Mr. Lalit Mohan Sharma-HR Manager

Time Scale : 60 Days

Verification Method : Desktop

Objective evidence observed:

Review Of records

7. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

Based on facility tour and interaction with employees it was noted that facility has not provided working canteen even though the strength is above 250. However lunch room is provided with adequate sitting capacity. Further it was also noted that facility does not have a canteen committee.

Local Law:

Rules 1951, Section 69 (2) the occupier of every factory notified by the State Government, and wherein more than 250 workers are ordinarily employed shall provide in or near the factory an adequate canteen according to the standards prescribed in these rules.

ETI requirement : Not Applicable

Recommended corrective action:

It is recommended to the facility management to provide canteen with food facility to the employees and form the canteen committee also.

Action by : Mr. Lalit Mohan Sharma-HR Manager

Time Scale : 60 Days

Verification Method : Desktop

Objective evidence observed:

Review Of records

8. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

It was noted during the tour of the facility that facility had not provided hand rails to the 2 out of 4 staircase leading from (Inside staircases) basement to ground floor, ground floor to first floor, First floor to second floor. Further temporary ladder were provided in terrace floor also found without handrails.

Local Law:

Rules 1951, Section 69 (2) the occupier of every factory notified by the State Government, and wherein more than 250 workers are ordinarily employed shall provide in or near the factory an adequate canteen according to the standards prescribed in these rules.

ETI requirement : Not Applicable

Recommended corrective action:

It is recommended to the factory to provide hand rails to leading from (Inside staircases) basement to ground floor, ground floor to first floor, First floor to second floor and temporary ladder also.

Action by : Mr. Lalit Mohan Sharma-HR Manager

Time Scale : 60 Days

Verification Method : Desktop

Objective evidence observed:

Refer Photo 10/9 ##

<p>9. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Based on tour of the facility it was noted that facility has not provided eye wash station in the washing section and chemicals handling areas.</p> <p>Local Law: In accordance with Factories Act 1948 Section 7-A (1) every occupier shall ensure, so far as is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory (2) Without prejudice to the generality of the provisions of sub-section(1), the matters to which such duty extends, shall include-(a) the provision and maintenance of plant and systems of work in the factory that are safe and with risks to health, (b) The arrangements in the factory for ensuring safety and absence of risks to health in connection with the use, handing, storage and transport of articles and substances, (c) The provision of such information, instruction, training and supervision as are necessary to ensure the health and safety of all workers at work.</p> <p>ETI requirement : Not Applicable</p> <p>Recommended corrective action: It is recommended to the facility to provide eye wash station in the washing section and chemical handling area.</p> <p>Action by : Mr. Lalit Mohan Sharma-HR Manager Time Scale : 30 Days Verification Method : Desktop</p>	<p>Objective evidence observed: Facility Tour</p>
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Observation:	
<p>Description of observation: None observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None observed</p>	<p>Objective Evidence Observed: Not applicable</p>

4: Child Labour Shall Not Be Used

4: Child Labour Shall Not Be Used
[\(Click here to return to NC-table\)](#)
[\(Click here to return to Key Information\)](#)

ETI

- 4.1 There shall be no new recruitment of child labour.
- 4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.
- 4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- 4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

- 1. Based from interaction with HR Executive, all employees are hired by the Human Resource Department only.
- 2. Based from review of documents, employee's ID for age proof such as Voter ID, aadhar card, Driving License, Dental Certificate and School Certificate was checked by HR department prior to hiring. The employees without valid ID certificates are not being hired.
- 3. Based from the policy review, the minimum hiring age of the facility is 18 years old.
- 4. Based from employees' interview, any suspect of child labour can be reported to facility management.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Child Labor Policy.
- Age Proof records of 26 out of 26 selected samples.
- Interaction with Management and Interview with employees.

Any other comments: None

A: Legal age of employment	14 Years old for young employees and 18 years old for adult workers
B: Age of youngest worker found:	19 years old
C: Children present on workforce but not working at time of audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: % of under 18's at this site (of total workers)	0%
E: Workers under 18 subject to hazardous	<input type="checkbox"/> Yes

work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> No Not applicable If Y give details
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Non-compliance:

1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: None observed Local law and/or ETI requirement: Not applicable Recommended corrective action: Not applicable	Objective evidence observed: <i>(where relevant please add photo numbers)</i> Not applicable
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Observation:

Description of observation: None observed Local law or ETI requirement: Not applicable Comments: Not applicable	Objective evidence observed: Not applicable
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Good Examples observed:

Description of Good Example (GE): None observed	Objective Evidence Observed: Not applicable
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5: Living Wages are Paid

[\(Click here to return to NC-table\)](#)

[\(Click here to return to Key information\)](#)

ETI

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1. Based from review of wage records, the facility has paid the applicable minimum wages to all the employees.
2. Employee's wages are fixed on monthly basis and are paid by monthly basis on or before 7th of respective month.
3. Based from employee's interview, wage slips are provided to all employees.
4. Based from wage record review, all employees are covered under social security benefit of Employees provident fund.
5. Deductions from wages as a disciplinary measure and any other illegal deductions are not permitted as per the facility rules.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Salary register for 26 selected samples for 3 Random months, February 2018, August 2017 and March 2017 (from March 2017 to February 2018).
- Employees Provident Fund Remittance and challans.
- Leave with wage records (Form No: 15) and Leave encashment records.
- Bonus paid records.
- Settlement and Gratuity paid records.
- List of National and Festival Holidays.
- Interaction with management and Employees.

Any other comments: None

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

None observed

Local law and/or ETI requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:

Description of observation: None Observed

Local law or ETI requirement: Not applicable

Comments: Not applicable

Objective evidence observed:

Not applicable

Good Examples observed:

Description of Good Example (GE): None Observed

Objective Evidence Observed:

Not applicable

Summary Information

Criteria	Local Law <i>(Please state legal requirement)</i>	Actual at the Site <i>(Record site results against the law)</i>	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)</i>	Legal maximum: 8 hours per day / 48 hours per week	08 hour per day / 48 hours per week	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i>	Legal maximum: 2 hours per day / 12 hours per week / 50 hours per quarter	No overtime was done by any of the sampled employees in any of the sampled month.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: wage for standard/contracted hours: <i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)</i>	Legal minimum: The local minimum wages of Rajasthan applicable for industry to this facility are as under: Unskilled: INR 5538.00 Semi-Skilled: INR 5798.00 Skilled: INR 6058.00 Highly Skilled: INR 7358.00 The wages are applicable with the effect from 1st January 2018.	Unskilled: INR 5538.00 Semi-Skilled: INR 5798.00 Skilled: INR 6058.00 Highly Skilled: INR 7358.00	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
E: overtime wage: <i>(Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)</i>	Legal minimum: 200% of normal rate of wages	200% of normal rate of wages	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Wages analysis: (Click here to return to Key Information)		
A: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: If No , why not?	Not applicable	
C: Sample Size Checked <i>(State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	A total of 26 employees were interviewed and the same numbers of records were reviewed for the months of February 2018 (Current month), August 2017 (Random month) and March 2017 (Random month).	
D: Are there different legal minimum wage grades? If Yes , please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please give details: Unskilled: INR 5538.00 Semi-Skilled: INR 5798.00 Skilled: INR 6058.00 Highly Skilled: INR 7358.00	
E: If there are different legal minimum grades, are all workers graded and paid correctly?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A If No , please give details: Not applicable	
F: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	Lowest Wages found: <i>Note: full time employees and please state hour / week / month etc.</i> INR 5538.00 per month	Please indicate the breakdown of workforce per earnings: Helper –INR 8000.00 per month
	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input checked="" type="checkbox"/> Above	_Nil_ % of workforce earning under min wage _80_ % of workforce earning min wage 20_ % of workforce earning above min wage
G: Bonus (amount specify)	Bonus Scheme found: Yes. Facility had a system to pay 8.33% of bonus which is complies with the legal requirement. <i>Note: full time employees and please state hour / week / month etc.</i>	

H: What deductions are required by law e.g. social insurance? Please state all types:	Employee Provident Fund & Employee state insurance
I: Have these deductions been made? Please list all deductions that have/have not been made.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, please describe : Provident Fund (PF), Employee State Insurance (ESI)
J: Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
K: Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence:
L: Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Facility had manual system to record the In/out time recording and all time worked by the employees are recorded.
M: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered Yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please specify amount/time: Facility did not define any living wages. At present facility is following the applicable minimum wages as notified by the State Government?
If yes, what was the calculation method used.	<input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage <input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK <input checked="" type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details:
N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: Rajasthan Government will revise the minimum wages on the month of January of every year and the same will be paid to the employees accordingly..
O: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
P: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details:
Q: How are workers paid:	<input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer-100% <input type="checkbox"/> Other

	If other explain:
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6: Working Hours are not Excessive

6: Working Hours are not Excessive

[\(Click here to return to NC-table\)](#)
[\(Click here to return to Key Information\)](#)

ETI

6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.

6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.

6.4 The total hours worked in any 7-day period shall not exceed 60 hours, except where covered by clause 6.5 below.

6.5 Working hours may exceed 60 hours in any 7-day period only in exceptional circumstances where **all** of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers' health and safety; and
- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every 7-day period or, where allowed by national law, 2 days off in every 14-day period.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1. Facility has restricted normal working hours to 8 hours per day and 48 hours per week.
2. Based from tour of the facility, it was noted that the working hours and weekly rest day are displayed on notice board.
3. The facility has implemented biometric attendance system to record IN/OUT time recording.
 - For February 2018 (Current month), the average working hours of 26 selected samples were 42 hours/week. Maximum working hours per week were 48 hours (26 out of 26 selected samples).
 - For August 2017 (Random month).the average working hours of 26 selected samples were 40 Hours/week. Maximum working hours per week were 48 hours (16 out of 26 selected samples).
 - For March 2017 (Random month).the average working hours of 26 selected samples were 43 hours/week. Maximum working hours per week were 48hours (21 out of 26 selected samples).

Evidence examined – to support system description (Documents examined & relevant comments. Include

renewal/expiry date where appropriate):

Details:

- Review of records
- In/Out time records and Salary register for 26 selected samples for 03 Random months.
- Interaction with management and Employees.

Any other comments: None

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:
None observed

Local law and/or ETI requirement:
Not applicable

Recommended corrective action:
Not applicable

Objective evidence observed:
(where relevant please add photo numbers)

Not applicable

Observation:

Description of observation:

None Observed

Local law or ETI requirement:

Not applicable

Comments:

Not applicable

Objective evidence observed:

Not applicable

Good Examples observed:

Description of Good Example (GE):

None Observed

Objective Evidence Observed:

Not applicable

Working hours' analysis

Please include time e.g. hour/week/month <i>(Go back to Key information)</i>	
Systems & Processes	
A. What timekeeping systems are used: time card etc.	<p>Describe: The facility has implemented Biometric attendance system to record IN/OUT time recording.</p> <p>26 attendance records and payroll records for February 2018 (Current month), 26 attendance records and payroll records for August 2017 (Random month) 26 attendance records and payroll records for March 2017 (Random month) were reviewed in this audit.</p>
B: Is sample size same as in wages section	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If N, please give details : Not applicable
C: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If NO, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements. Details : Not applicable
D: Are there any other types of contracts/employment agreements used?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If YES, please complete as appropriate:
	<input type="checkbox"/> 0 hrs <input type="checkbox"/> Part time <input type="checkbox"/> Variable hrs <input type="checkbox"/> Other
	If "Other", Please define:
	Not applicable
E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Y please %detail hours, % and types of workers & affected and frequency Details: Not applicable
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period (where the law allows)?	Please select all applicable: <input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No If 'No', please explain:
	Is this allowed by local law? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No In accordance with Factories Act 1948, Chapter VI, Section 52 (1), No adult worker shall be required or allowed to work in a factory on the first day of the week (hereinafter referred to as the said day) unless-

		<p>(a) He has or will have a holiday for a whole day on one of the three days immediately before or after the said day, and (b) The manager of the factory has, before the said day or the substituted day under clause (a) whichever is earlier, - (i) Delivered a notice at the office of the Inspector of his intention to require the worker to work on the said day and of the day which is to be substituted, and (ii) Displayed a notice to that effect in the factory: Provided that no substitution shall be made which will result in any worker working for more than ten days consecutively without a holiday for a whole day.</p>
<p>Maximum number of days worked without a day off (in sample): 06 days</p>		<p>06 days</p>
<p>Standard/Contracted Hours worked</p>		
<p>G: Standard working hours over 48 per week found</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>If yes, % of workers & frequency Not applicable</p>
<p>H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>If YES, please give details : Not applicable</p>
<p>Overtime Hours worked</p>		
<p>I: Actual overtime hours worked in sample (State per day/week/month)</p>	<p>Highest OT hours:</p>	<p>No overtime was done by any of the sampled employees in any of the sampled month.</p>
<p>J: Combined hours (standard/contracted plus= total) 60 found?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>K: Approximate percentage of total workers on highest</p>	<p>100% worker performed overtime was in all sampled month.</p>	

overtime hours		
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes-As per employees interaction <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	Please detail evidence e.g. Wording of contract/employment agreement/handbook/worker interviews/refusal arrangements:
Overtime Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A –	Please give details of normal day overtime premium as a % of standard wages: Factory has policy to pay the overtime at 200% of the ordinary rate of wages.
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If yes, please describe % of workers & frequency: Factory has policy to pay the overtime at 200% of the ordinary rate of wages.
O: ETI Code requires a prevailing standard to give greatest worker protection. If a site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant. Multi select is possible.	<input type="checkbox"/> No <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other	
	Please explain any checked boxes above e.g. detail of consolidated pay CBA or Other	
	Not applicable	
P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. Multi select is possible.	<input checked="" type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker's health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify)	
	Please explain any checked boxes above	
	Employees are free to do overtime or deny according to their wish there is no compulsion to do overtime	
Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, please describe: Not applicable	

<p>R: If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
--	--

7: No Discrimination is Practiced

[\(Click here to return to NC-table\)](#)

ETI

7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1. Based from review of wage records and employees interview, no discrimination was noted in hiring, compensation, access to training, promotion, termination or retirement.
2. Mr. Lalit Mohan Sharma- HR Manager is responsible for the investigation and disposal of discrimination case.
3. Based from wage records review, the facility provides the same pay for male/female employees for same work of similar nature.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Facility Policy.
- Appointment letter with terms and conditions for 26 out 26 selected samples.
- Salary and other benefit records.
- Interaction with management and Employees

Any other comments: None

A: Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 83___ % Female 17_ %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst	#: 02
C: Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?:	<input type="checkbox"/> Hiring <input type="checkbox"/> Compensation <input type="checkbox"/> access to training <input type="checkbox"/> promotion <input type="checkbox"/> termination or retirement

	Not applicable
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Professional Development	
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<p>A: What type of training and development are available for workers?</p>	<p>Please give details : Facility had a system of professional development of their employees & staff based on character, attendance, any disciplinary action, involvement in training program etc.</p>
--	---

<p>B: Are HR decisions on e.g. promotion, training, compensation based on objective, transparent criteria?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>If no, please give details: Not applicable</p>
--	---

Non-compliance:	
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<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law: <input type="checkbox"/> NC against customer code: None Observed</p> <p>Local law and/or ETI requirement Not applicable</p> <p>Recommended corrective action: Not applicable</p>	<p>Objective evidence observed: (where relevant please add photo numbers) Not applicable</p>
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Observation:	
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<p>Description of observation: None Observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>
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Good Examples observed:	
Description of Good Example (GE): None Observed	Objective Evidence Observed: Not applicable

8: Regular Employment Is Provided

[\(Click here to return to NC-table\)](#)
[\(Click here to return to Key Information\)](#)

ETI

8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.
 8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Additional Elements: Responsible Recruitment

8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.
 8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.
 8.5 Employment agencies must only supply workers registered with them.
 8.6 Workers pay no recruitment fee at any stage of the recruitment process.
 8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1. Facility does not employ any migrant workers.
2. Based on interaction with employees, no recruitment fees is required at any stage of the recruitment process.
3. Facility has issued employment contract to 26 out of 26 selected sampled employees and kept the employment contract in their respective files.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Appointment letter
- Salary and other benefit records.
- Interaction with management and Employees.

Any other comments: None

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law: NC against customer code:

None Observed

Local law and/or ETI requirement

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:

Description of observation: None observed

Local law or ETI requirement: Not applicable

Comments: Not applicable

Objective evidence observed:

Not applicable

Good Examples observed:

Description of Good Example (GE):
None observed

Objective Evidence Observed:
Not applicable

Responsible Recruitment

All Workers

A: Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?

- Terms & Conditions presented
- Understood by workers
- Same as actual conditions

If any are unchecked, please describe finding and specific category(ies) of workers affected: Not applicable

B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?

- Yes
- No

If Yes Please describe details and specific category(ies) of workers affected

<p>C: If yes, check all that apply:</p>	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other
<p>C: If any checked, give details:</p>	<p>Not applicable</p>

Migrant Workers: <i>The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national and where they do not intend to remain permanently or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity</i>			
<p>A: Type of work undertaken by migrant workers:</p>	<p>Facility does not employ any migrant workers.</p>		
<p>B: Migrant worker recruitment</p>	<p>Total number of (in country recruitment agencies) used: Total number of (outside of local country) recruitment agencies used</p> <p>Not applicable</p>		
<p>C: Migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and evidence of transaction is supplied by the facility to the worker.</p>	<table border="1" style="width: 100%;"> <tr> <td style="width: 60%;"> <input type="checkbox"/> Yes <input type="checkbox"/> No Please describe finding: Not applicable </td> <td style="width: 40%;"> Observations </td> </tr> </table>	<input type="checkbox"/> Yes <input type="checkbox"/> No Please describe finding: Not applicable	Observations
<input type="checkbox"/> Yes <input type="checkbox"/> No Please describe finding: Not applicable	Observations		
<p>D: Are Any migrant workers in skilled, technical, or management roles</p> <p>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes number and example of roles Not applicable		

NON-EMPLOYEE WORKERS

Recruitment Fees:	
A: Are there any fees	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: If yes, check all that apply:	<input type="checkbox"/> Recruitment / hiring fees <input type="checkbox"/> Service fees <input type="checkbox"/> Application costs <input type="checkbox"/> Recommendation fees <input type="checkbox"/> Placement fees <input type="checkbox"/> Administrative, overhead or processing fees <input type="checkbox"/> Skills tests <input type="checkbox"/> Certifications <input type="checkbox"/> Medical screenings <input type="checkbox"/> Passports/ID's <input type="checkbox"/> Work / resident permits <input type="checkbox"/> Birth certificates <input type="checkbox"/> Police clearance fees <input type="checkbox"/> Any transportation and lodging costs after employment offer <input type="checkbox"/> Any transport costs between work place and home <input type="checkbox"/> Any relocation costs after commencement of employment <input type="checkbox"/> New hire training / orientation fees <input type="checkbox"/> Medical exam fees <input type="checkbox"/> Deposit bonds or other deposits <input type="checkbox"/> Any other non-monetary assets <input type="checkbox"/> Other
C: If any checked, give details:	Not applicable

Agency Workers (if applicable)	
<i>(workers sourced from a local agent who are not directly paid by the site, but paid by the agency, Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)</i>	
A: Number of agencies used (average):	And names if available: Facility has employed 226 employees through 4 contractors, 1. Kasliwal & Company-118 employees 2. Jatin Enterprises- 94 Employees 3. SIS- 12 Employees 4. Shree Ram enterprises-02 Employees
B: Were agency workers' age/pay/hours included within scope of this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input type="checkbox"/> No
D: Is there a legal contract /	<input checked="" type="checkbox"/> Yes

agreement with all agencies?	<input type="checkbox"/> No Details: Not applicable
E: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Facility has conducted internal audit for checking labour standard.

Contractors: <i>Note: contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider,</i>	
A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe finding: If Y, how many contractors are present
B: If Yes , how many workers supplied by contractors	Not applicable.
C: Do all contractor workers understand their terms of employment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe finding: Not applicable
D: If Yes , please give evidence for contractor workers being paid per law:	As per wages documents review and interaction with employees that they were getting their minimum wages as per law.

8A: Sub-Contracting and Homeworking

[\(Click here to return to NC-table\)](#)
[\(Click here to return to Key Information\)](#)

8A.1 There should be no sub-contracting unless previously agreed with the main client.

8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.

Note to auditor on homeworking:

Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.

Note to auditor on subcontracting : auditor should use this section for subcontractors of part made or wholly made finished goods, this section should not be used for raw material manufacturers unless instructed otherwise by customers

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1. Based from the interaction with the facility management and employees interview, it is noted that the facility has using 02 subcontractor for Dying process.
2. Facility is not using any Home workers.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): Not applicable

If any processes are sub-contracted – please populate below boxes

Process Subcontracted	Dying	<i>Dying</i>
Name of factory	Rajasthan Dying House	<i>Rajasthan Lace House</i>
Address	Ajmir Road, Jaipur	<i>Ajmir Road, Jaipur</i>

Details: None

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law: NC against customer code:

None Observed

Local law and/or ETI requirement

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:

Description of observation:

None Observed

Local law or ETI requirement:

Not applicable

Comments:

Not applicable

Objective evidence observed:

Not applicable

Good Examples observed:

Description of Good Example (GE):

None Observed

Objective Evidence Observed:

Not applicable

Summary of sub-contracting – if applicable

Not Applicable please x

A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work hours or undeclared sub-contracting

Yes

No

Please describe:

Not applicable, as self-reference audit.

B: If sub-contractors are used, is there evidence this has been

Yes

No

agreed with the main client?	If Yes , summarise details: Not applicable, as self-reference audit.
C: Number of sub-contractors/agents used	Not applicable
D: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes , summarise details: Not applicable
E: What checks are in place to ensure no child labour is being used and work is safe?	Not applicable

Summary of homeworking – if applicable <input type="checkbox"/> Not Applicable please x

A: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes , summarise details: Not applicable – Facility is not using any Home workers.		
B: Number of homeworkers	Male: Nil	Female: Nil	Total: Nil
C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents Not applicable		
D: If through agents, number of agents	Not applicable		
E: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No Not applicable		
F: How does site ensure worker hours and pay meet local laws for homeworkers?	Not applicable		
G: What processes are carried out by homeworkers?	Not applicable		
H: Do any contracts exist for homeworkers	<input type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Not applicable		
I: Are full records of homeworkers	<input type="checkbox"/> Yes		

available at the site?

No
Not applicable

9: No Harsh or Inhumane Treatment is Allowed

[\(Click here to return to NC-table\)](#)

ETI

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

Additional elements:

9.2 companies should provide access to a confidential grievance mechanism for all workers

<p>A: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3rd party?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Facility had Anti sexual harassment committee and the grievance was directly to them if any.</p>
<p>B: If Yes, are workers aware of these channels and have access? Please give details.</p>	<p>Facility Anti sexual harassment committee representative will communicate the details to their employees in their respective section and workers are aware of these channels and have access to the same.</p>
<p>C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.</p>	<p>Direct communication during meeting</p>
<p>D: Is there a grievance mechanism in place for:</p>	<p><input checked="" type="checkbox"/> Workers <input type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other Details: Facility had effective grievance mechanism in place where workers, communities & suppliers can express their grievance through Suggestion box, Hot line etc.</p>
<p>E: Are there any open disputes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please give details :Not applicable</p>
<p>F: Does grievance mechanism meet with UNGP requirement of e.g. (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details: Not applicable</p>
<p>G: Does the site \ encourage its business partners (e.g., suppliers) provide individuals and communities with access to effective grievance mechanisms (e.g., help lines or whistle blowing mechanism</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No Please give details: Not applicable</p>

H: Is there a published and transparent disciplinary procedure	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No please explain: Not applicable
I: If yes, are workers aware of these the disciplinary procedure	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no please give details: Not applicable
J: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes please give details: Not applicable

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

Based from the interaction with the facility management and employee's interview, it is noted that no case of abuse or discipline has happened in the facility and the facility has a written disciplinary procedure that is displayed in the notice board of the facility.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Interaction with management and Employees

Any other comments: None

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law NC against customer code:

None observed

Local law and/or ETI requirement:

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:	
<p>Description of observation: None Observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good Examples observed:	
<p>Description of Good Example (GE): None Observed</p>	<p>Objective Evidence Observed: Not applicable</p>

10. Other Issue areas: 10A: Entitlement to Work and Immigration

[\(Click here to return to NC-table\)](#)

Additional Elements

10A.1 Only workers with a legal right to work shall be employed or used by the supplier.

10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1. Based from the review of records and employee's interview, the facility has not employed any foreign nationals.

2. Based from the interaction with employee, all the employees are holding the legal rights to work.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

Interaction with Management and Employees

Any other comments: None

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law: NC against customer code:

None Observed

Local law and/or ETI requirement

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:	
<p>Description of observation: None Observed</p> <p>Local law or ETI requirement: Not applicable</p> <p>Comments: Not applicable</p>	<p>Objective evidence observed: Not applicable</p>

Good examples observed:	
<p>Description of Good Example (GE): None Observed</p>	<p>Objective Evidence Observed: Not applicable</p>

10. Other issue areas 10B2: Environment 2–Pillar

[\(Click here to return to NC-table\)](#)

To be completed for a 2–Pillar SMETA Audit, and remove the following page which is 10B4 environment 4 pillar

10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.

10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements.

Note for auditors and readers, This is not a full environmental assessment but a check on basic systems and management approach.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

1. The facility has established and maintained environmental policy & Mr. Lalit Mohan Sharma- HR Manager is responsible for environmental aspects.
2. Based on management interaction, facility and their suppliers are aware the environmental requirements.
3. Facility has obtained air & water Consent and Hazardous waste Consent from local pollution department which is valid till 31 August 2023.

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Details:

- Facility Policy.
- Facility air and water Consent from pollution department on 20/03/2014
- Air Ambient quality test conducted on 12/03/2018
- Noise test conducted on 12/03/2018
- Air emission test conducted on 12/03/2018
- Interaction with management and Employees.

Any other comments: None

Non-compliance:

1. Description of non-compliance:

NC against ETI NC against Local Law: NC against customer code:

None Observed

Local law and/or ETI requirement

Not applicable

Recommended corrective action:

Not applicable

Objective evidence observed:

(where relevant please add photo numbers)

Not applicable

Observation:

Description of observation:

None Observed

Local law or ETI requirement:

Not applicable

Comments:

Not applicable

Objective evidence observed:

Not applicable

Good examples observed:

Description of Good Example (GE): None Observed

Objective Evidence Observed:

Not applicable

Other Findings Outside the Scope of the Code

None Observed

Community Benefits

(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)

None Observed

Appendix 1

<p>Comparison between ETI code and Customer's Supplier's Code. Any areas where a site complies with the Customer's Supplier Code, but not with the ETI code are discussed at the audit close out meeting and recorded on the CAPR. Note to supplier "for this customer it may not be necessary to complete corrective actions where NC's DO NOT meet the ETI code, but DO meet your customer's code. If the audit is shared with other customers who work to the ETI code or an equivalent international standard, corrective actions will be necessary."</p> <p><input type="checkbox"/> Not Applicable please x</p>	
<p>NOTE: The provisions of the ETI base Code constitute minimum and not maximum standards, and this code should not be used to prevent companies from exceeding these standards. Companies applying the ETI Base Code are expected to comply with national and other applicable law and, where the provisions of law and the ETI Base Code address the same subject, to apply that provision which affords the greater protection.</p>	<p>Instruction to Audit Company: fill in the relevant clauses from the Customer Supplier Code - where applicable.</p>
ETI Code / Additional Elements	Customer's Supplier Code equivalent
0.A. Universal Rights covering UNGP	0.A. Universal Rights covering UNGP
<p>0.A. Guidance for Observations</p> <p>0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.</p> <p>0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights</p> <p>0.A.3 Businesses shall identify their stakeholders and salient issues.</p> <p>0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.</p> <p>0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.</p> <p>0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.</p>	
0.B. Management Systems & Code Implementation	0.B. Management Systems & Code Implementation
<p>0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.</p> <p>0.2 Suppliers shall appoint a senior member of</p>	

<p>management who shall be responsible for compliance with the Code. 0.3 Suppliers are expected to communicate this Code to all employees. 0.4 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.</p>	
<p>ETI 1. Forced Labour</p>	<p>ETI 1. Forced Labour</p>
<p>1.1 There is no forced, bonded or involuntary prison labour. 1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.</p>	
<p>ETI 2. Freedom of association and the right to collective bargaining are respected</p>	<p>ETI 2. Freedom of association and the right to collective bargaining are respected</p>
<p>2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively. 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities. 2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace. 2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.</p>	
<p>ETI 3. Working conditions are safe and hygienic</p>	<p>ETI 3. Working conditions are safe and hygienic</p>
<p>3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment. 3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers. 3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided. 3.4 Accommodation, where provided, shall be</p>	

<p>clean, safe, and meet the basic needs of the workers. 3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.</p>	
<p>ETI 4. Child labour shall not be used</p>	<p>ETI 4. Child labour shall not be used</p>
<p>4.1 There shall be no new recruitment of child labour. 4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child. 4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions. 4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.</p>	
<p>ETI 5. Living wages are paid</p>	<p>ETI 5. Living wages are paid</p>
<p>5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income. 5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid. 5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.</p>	
<p>ETI 6. Working Hours are not excessive</p>	<p>ETI 6. Working Hours are not excessive</p>
<p>6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards. 6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week. 6.3 All overtime shall be voluntary. Overtime shall</p>	

<p>be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.</p> <p>6.4 The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by clause 6.5 below.</p> <p>6.5 Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where all of the following are met:</p> <ul style="list-style-type: none"> - this is allowed by national law; - this is allowed by a collective agreement freely negotiated with a workers' organisation representing a significant portion of the workforce; - appropriate safeguards are taken to protect the workers' health and safety; and - The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies. <p>6.6 Workers shall be provided with at least one day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period.</p>	
<p>ETI 7. No discrimination is practised</p>	<p>ETI 7. No discrimination is practised</p>
<p>7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.</p>	
<p>ETI 8. Regular employment is provided</p>	<p>ETI 8. Regular employment is provided</p>
<p>8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.</p> <p>8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such</p>	

<p>obligations be avoided through the excessive use of fixed-term contracts of employment.</p> <p>Additional Elements: Responsible Recruitment 8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements. 8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation. 8.5 Employment agencies must only supply workers registered with them. 8.6 Workers pay no recruitment fee at any stage of the recruitment process. 8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.</p>	
<p>8A: Sub-Contracting and Homeworking</p>	<p>8A: Sub-Contracting and Homeworking</p>
<p>8A.1 There should be no sub-contracting unless previously agreed with the main client. 8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.</p>	
<p>ETI 9. No harsh or inhumane treatment is allowed</p>	<p>ETI 9. No harsh or inhumane treatment is allowed</p>
<p>9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited. Additional elements: 9.2 companies should provide access to a confidential grievance mechanism for all workers</p>	
<p>10. Other Issue areas: 10A: Entitlement to Work and Immigration</p>	
<p>Additional Elements 10A.1 Only workers with a legal right to work shall be employed or used by the supplier. 10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.</p>	
<p>10. Other issue areas 10B2: Environment 2-Pillar</p>	

<p>10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits. 10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements. <i>Note for auditors and readers, This is not a full environmental assessment but a check on basic systems and management approach.</i></p>	
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SMETA Extra Sections for 4 Pillar Audit:	SMETA Extra Sections for 4 Pillar Audit:
<p>Environment Section</p>	<p>Environment Section</p>
<p>B.4. Compliance Requirements 10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards. 10B4.2 Where it is a legal requirement, businesses must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc. 10B4.3 Businesses shall be aware of their end client's environmental standards/code requirements 10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers. 10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes. 10B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4-pillar audit report and audit checks for details). 10B4.7 Businesses shall make continuous improvements in their environmental performance. 10B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation 10B4.9 Businesses should have a nominated individual responsible for co-ordinating the site's efforts to improve environmental performance. B4. Guidance for Observations 10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor. 10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.</p>	
<p>Business Practices Section</p>	

10C. Compliance Requirements

10C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

10C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.

10C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.

10C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.

10C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,

10C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics













10C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.

10C. Guidance for Observations










10C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.

10C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented.

Photo Form

		
<p>Facility main entrance</p>	<p>Facility name board displayed</p>	<p>Facility Address board</p>
		
<p>No child labor displayed</p>	<p>Security room</p>	<p>Facility building view</p>
		
<p>Working hours displayed</p>	<p>Fabric store</p>	<p>Cutting section</p>
		


Embroidery section	Washing section	Sewing section
		
Sewing section	Finishing section	Packing section
		
Finished section	Fire extinguisher installed	Manual fire alarm call point installed
		
Fire alarm	Smoke detector	Emergency light
		

<p>Hose reel and hydrant installed</p>	<p>Evacuation plan displayed</p>	<p>Fire control panel</p>
		
<p>Safe assembly area</p>	<p>Sprinklers installed</p>	<p>Rolling shutter with locking mechanism</p>
		
<p>Electrical panel board with rubber mat</p>	<p>First aid box</p>	<p>Non IBR boiler area</p>
		
<p>Chemicals cans with secondary containment</p>	<p>MSDS displayed</p>	<p>Toilets provided</p>

<p>Toilets provided</p>	<p>Compressor area</p>	<p>DG area</p>
<p>Drinking water point</p>	<p>ETP area</p>	<p>Suggestion box</p>
<p>Crèche</p>	<p>Notice Board</p>	<p>Biometric Punching machine</p>
		<p>N/A</p>
<p>Hydrant functional</p>	<p>Dining hall</p>	

Non-Compliance Photo:

		
<p>Minor wall crack were found in fabric storage area in Block B, NC Photo #1</p>	<p>Wall seepage were found near to the embroidery section at basement floor, NC Photo#2</p>	<p>Escape passage found faded in Embroidery section basement floor, NC Photo#3</p>
		
<p>Escape passage found faded in sewing section at first floor, NC Photo#4</p>	<p>50% Escape passages were found blocked by Work in Process (WIP) bins in sewing section, NC Photo#5</p>	<p>Exit were found partially blocked by WIP trolleys in stitching section, NC Photo#6</p>
		
<p>60% of the first aid boxes in the production floor were with insufficient first aid contents, NC Photo#7</p>	<p>PPE not provided for overlock operators and further 30% of the overlock machines were found without eye guard, NC Photo#8</p>	<p>facility had not provided hand rails to the staircase leading from (Inside staircases) basement to ground floor, ground floor to first floor, First floor to second floor, NC Photo#9</p>

	<p>N/A</p>	<p>N/A</p>
<p>Temporary ladder provided in terrace floor were found without handrails, NC Photo#10</p>		

DISCLAIMER:

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End of report.



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