




SMETA Corrective Action Plan Report (CAPR)

Version 6.0



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: ZC1073283	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: ZS1079428
Business name (Company name):	M/s. Cheer Sagar Exports		
Site name:	M/s. Cheer Sagar Exports		
Site address: <i>(Please include full address)</i>	G-171-173, EPIP, Garment Zone, Sitapura Ind. Area, Jaipur-302022	Country:	India
Site contact and job title:	Mr. Manoj Kumar Sharma / Manager - HR		
Site phone:	0141-4094200	Site e-mail:	hr@cheersagarexports.com
SMETA Audit Type Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety	<input type="checkbox"/> Environment <input type="checkbox"/> Business Ethics
Date of Audit:	16-May-2019 / Desktop Review on 08th August 2019		

Audit Company Name & Logo:  <small>Total Quality. Assured.</small>	Report Owner (payee): <i>(If paid for by the customer of the site please remove for Sedex upload)</i> M/s. Cheer Sagar Exports
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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)			

Report written in black =Full Initial Audit / 16th May 2019

Report written in Blue = Desktop Review /08th August 2019



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):

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

Lead auditor:

Prasanna Kumar Sabato

Team auditor:

Sanjeev Suman

Interviewers:

Sanjeev Suman

Report writer:

Prasanna Kumar Sabato

Report reviewer:

Monica Vyas Intertek

Audit Company Report Reference:

IDA-22160-01

Date of declaration:

16-May-2019

[Desktop Reviewed by Krithika Sureshkumar](#)

[Date of Verification: 08th August 2019](#)

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.



Audit Parameters

Audit Parameters			
A: Time in and time out	Day 1 Time in: 10.30 am Day 1 Time out: 18.30 pm	Day 2 Time in: NA Day 2 Time out: NA	Day 3 Time in: NA Day 3 Time out: NA
B: Number of auditor days used:	1 day x 2 Auditors		
C: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input checked="" type="checkbox"/> Partial Other –Desktop Review If other, please define:		
D: Was the audit announced?	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail: weeks <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		
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		
G: Who signed and agreed CAPR (Name and job title)	Mr. Manoj Kumar Sharma /Manager- HR		
H: Is further information available (if yes, please contact audit company for details)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I: Previous audit date:	27.03.2018		
J: Previous audit type:	SMETA – Initial		
K: Were any previous audits reviewed for this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input 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 checked="" type="checkbox"/> Yes <input 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 checked="" type="checkbox"/> Yes <input 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>	N/A		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	No Union formed in the facility Not Required legally		

Guidance:

The Corrective Action Plan Report summarises the site audit findings and a corrective, and preventative action plan that both the auditor and the site manager believe is reasonable to ensure conformity with the ETI Base Code, Local Laws and additional audited requirements. After the initial audit, the form is used to re-record actions taken and to categorise the status of the non-compliances.

N.B. observations and good practice examples should be pointed out at the closing meeting as well as discussing non-compliances and corrective actions.

To ensure that good practice examples are highlighted to the supplier and to give a more 'balanced' audit a section to record these has been provided on the CAPR document (see following pages) which will remain with the supplier. They will be further confirmed on receipt of the audit report.

Root cause (see column 4)

Root cause refers to the specific procedure or lack of procedure which caused the issue to arise. Before a corrective action can sustainably rectify the situation it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

See SMETA BPG Chapter 7 'Audit Execution' for more explanation of "root cause".

Next Steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, non-compliances, observations and good examples. If you have not already received instructions on how to do this then please visit the web site www.sedexglobal.com.
2. Sites shall action its non-compliances and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request via Sedex that the audit body verify its actions. Please visit www.sedexglobal.com web site for information on how to do this.
4. The audit body shall verify corrective actions taken by the site by either a "Desk-Top" review process via Sedex or by Follow-up Audit (see point 5).
5. Some non-compliances that cannot be closed off by "Desk-Top" review may need to be closed off via a "1 Day Follow Up Audit" charged at normal fee rates. If this is the case then the site will be notified after its submission of documentary evidence relating to that non-compliance. Any follow-up audit must take place within twelve months of the initial audit and the information from the initial audit must be available for sign off of corrective action.



6. For changes to wages and hours to be correctly verified it will normally require a follow up site visit. Auditors will generally require to see a minimum of two months wages and hours records, showing new rates in order to confirm changes (note some clients may ask for a longer period, if in doubt please check with the client).



Corrective Action Plan

Corrective Action Plan – non-compliances									
Non-Compliance Number <i>The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new non-compliance identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Non-Compliance <i>Details of Non-Compliance</i>	Root cause <i>(completed by the site)</i>	Preventative and Corrective Actions <i>Details of actions to be taken to clear non-compliance, and the system change to prevent re-occurrence (agreed between site and auditor)</i>	Timescale <i>(Immediate, 30, 60, 90,180,365)</i>	Verification Method <i>Desktop / Follow-Up [D/F]</i>	Agreed by Management and Name of Responsible Person: <i>Note if management agree to the non-compliance, and document name of responsible person</i>	Verification Evidence and Comments <i>Details on corrective action evidence</i>	Status <i>Open/Closed or comment</i>
Management system and Code Implémentation : 1	New	SMETA ethical code of conduct is not communicated to its employees and in supply chain (as per SMETA code of conduct)	<input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	Factory shall ensure to communicate the SMETA ethical code of conduct to its employees and in supply chain.	30 days	Desktop	Mr. Manoj Kumar Sharma / Manager- HR	Upload evidence of corrective action on Sedex portal	Closed on 08th August 2019 by Desktop Review Closed on Sedex on 08th August 2019
Freedom of Association and Right to Collective Bargaining are Respected : 1	New	No evidence available that the members in works committee are chosen through elective process. Further no management members are included while forming the works committee. Law: According to Section 3(1) of The Industrial Disputes Act, 1947, Works Committee:	<input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	Factory shall ensure to form works committee with elected workers representatives and nominated management representatives.	30 days	Desktop	Mr. Manoj Kumar Sharma / Manager- HR	Upload evidence of corrective action on Sedex portal	Closed on 08th August 2019 by Desktop Review Closed on Sedex on 08th August 2019

		In the case of any industrial establishment in which one hundred or more workmen are employed or have been employed on any day in the preceding twelve months, the appropriate Government may by general or special order require the employer to constitute in the prescribed manner a Works Committee consisting of representatives of employers and workmen engaged in the establishment so however that the number of representatives of workmen on the Committee shall not be less than the number of representatives of the employer. The representatives of the workmen shall be chosen in the prescribed manner from among the workmen engaged in the establishment and in consultation with their trade union, if any, registered under the Indian Trade Unions Act, 1926 (16 of 1926).							
Working Conditions are Safe and Hygienic : 1	New	Adequate first aid contents are not maintained in the installed first aid boxes at	<input checked="" type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers	Factory shall ensure to maintain adequate and validated first aid	30 days	Desktop	Mr. Manoj Kumar Sharma / Manager- HR	Upload evidence of corrective action on Sedex portal	Closed on 08 th August 2019 by

		<p>security and ground floor area. Expired medicine (Tincture bottle) found stocked at the first aid box in washing section.</p> <p>Law: According to Section 45(1) of The Factories Act, 1948, There shall in every factory be provided and maintained so as to be readily accessible during all working hours first-aid boxes or cupboards equipped with the prescribed contents, and the number of such boxes or cupboards to be provided and maintained shall not be less than one for every one hundred and fifty workers ordinarily employed (at any one time) in the factory</p>	<input type="checkbox"/> Other – please give details:	<p>contents in the installed first aid boxes all the time,</p>					<p>Desktop Review</p> <p>Closed on Sedex on 08th August 2019</p>
Working Conditions are Safe and Hygienic : 2	New	<p>Toilets and drinking water points in periphery area found not adequately clean.</p> <p>Law: According to Section 19(d) of The Factories Act, 1948, All toilet accommodations shall always be maintained in a clean and sanitary condition</p>	<input checked="" type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	<p>Factory shall ensure to maintain toilets and drinking water points clean and hygienic all the time.</p>	30 days	Desktop	Mr. Manoj Kumar Sharma / Manager- HR	<p>Upload evidence of corrective action on Sedex portal</p>	<p>Closed on 08th August 2019 by Desktop Review</p> <p>Closed on Sedex on 08th August 2019</p>
Working Conditions are	New	<p>Emergency lights are not installed in stairs in rear side of 1st and 2nd floor</p>	<input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs	<p>Factory shall ensure to install emergency lights in</p>	30 days	Desktop	Mr. Manoj Kumar Sharma / Manager- HR	<p>Upload evidence of corrective action on Sedex portal</p>	<p>Closed on 08th August 2019 by</p>

Safe and Hygienic : 3		<p>areas and in Exit points at finishing section in 2nd floor area.</p> <p>Further adequate smoke detector and sprinklers are not installed in the 3rd floor area of the building</p> <p>Law: According to Rule 68 9(e) of The Model Rules of The Factories Act, 1948, The exits shall be clearly visible and suitably illuminated with suitable arrangement, whatever artificial lighting is to be adopted for this purpose, to maintain the required illumination in case of failure of the normal source of electric supply.</p>	<input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	<p>stairs and in production floors and also provide smoke detectors and sprinklers in fabric storage area at 3rd floor of the building.</p>					<p>Desktop Review</p> <p>Closed on Sedex on 08th August 2019</p>
Working Conditions are Safe and Hygienic : 4	New	<p>Evacuation plan installed at ground floor area not matching with the floor plan (Evacuation routes and exit points are differs).</p> <p>Law: According to Section 38 (1a) of the Factories Act, 1948, every factory shall provide and maintain safe means of escape for all persons in the event of fire.</p>	<input checked="" type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	<p>Factory shall ensure to install evacuation plans according to floor working plan.</p>	30 days	Desktop	Mr. Manoj Kumar Sharma / Manager- HR	<p>Upload evidence of corrective action on Sedex portal</p>	<p>Closed on 08th August 2019 by Desktop Review</p> <p>Closed on Sedex on 08th August 2019</p>
Working Conditions are	New	<p>Unidentified chemicals were found stored without access restriction</p>	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs	<p>Factory shall ensure to keep all the chemicals with</p>	30 days	Desktop	Mr. Manoj Kumar Sharma / Manager- HR	<p>Upload evidence of corrective action on Sedex portal</p>	<p>Closed on 08th August 2019 by</p>

<p>Safe and Hygienic : 5</p>		<p>and without adequate secondary containment n washing and ETP sections. Further MSDS of the used chemicals were not available in spot cleaning and printing section.</p> <p>Law: According to Section 41 B(1) of The Factories Act, 1948, The occupier of every factory involving a hazardous process shall disclose in the manner prescribed all information regarding dangers, including health hazards and the measures to overcome such hazards arising from the exposures to or handling of the materials or substances in the manufacture or transportation , storage and other processes, to the workers employed in the factory, the chief inspector, the local authority within whose jurisdiction the factory is situate and the general public in the vicinity.</p>	<p><input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:</p>	<p>adequately labelling and with secondary containment. Keep the chemicals with access restriction and allow only authorised personnel for its use. MSDs of the chemicals shall be available in chemical application areas.</p>					<p>Desktop Review</p> <p>Closed on Sedex on 08thAugust 2019</p>
<p>Working Conditions are Safe and Hygienic : 6</p>	<p>New</p>	<p>Factory has not provided canteen facility for the workers.</p> <p>Law: According to Section 46 (1) of The</p>	<p><input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:</p>	<p>Factory shall ensure to provide canteen facility for the workers.</p>	<p>60 days</p>	<p>Desktop</p>	<p>Mr. Manoj Kumar Sharma / Manager- HR</p>	<p>Upload evidence of corrective action on Sedex portal</p>	<p>Closed on 08th August 2019 by Desktop Review</p>

		Factories Act, 1948 , The state government may make rules requiring that in any specified factory wherein more than two hundred and fifty workers are ordinarily employed, a canteen or canteens shall be provided and maintained by the occupier for the use of the workers.							Closed on Sedex on 08 th August 2019
Working Conditions are Safe and Hygienic : 7	New	Aisles routes are not adequately marked in the 1 st and 2 nd floor area of the building. Most of the lines in the area found faded and aisles routes found blocked with working tables in the 2 nd floor area of the building. Law: According to Section 38 (1 a) of The Factories Act, 1948, Every factory shall provide and maintain safe means of escape for all person in the event of fire.	<input checked="" type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	Factory shall ensure to mark aisles routes in production floors and ensure the aisles routes are free from obstruction all the time during working hours.	30 days	Desktop	Mr. Manoj Kumar Sharma / Manager- HR	Upload evidence of corrective action on Sedex portal	Closed on 08 th August 2019 by Desktop Review Closed on Sedex on 08 th August 2019
Working Conditions are Safe and Hygienic : 8	New	Chemical and general wastes were found stored haphazardly in ground floor area. Law: According to Section 7A (2b) of The Factories Act, 1948, Every occupier should	<input checked="" type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	Factory shall ensure to keep all the general and hazardous wastes in the designated areas only.	30 days	Desktop	Mr. Manoj Kumar Sharma / Manager- HR	Upload evidence of corrective action on Sedex portal	Closed on 08 th August 2019 by Desktop Review Closed on Sedex on

		have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.							08 th August 2019
Wages and benefits:1	New	<p>Pay slips issued to workers are in English only and not in local language. Further overtime hours worked are not declared in the issued pay slips.</p> <p>Law: According to Rule 26 of The Minimum Wages Central Rules, 1950: (2) A wage slip in Form XI shall be issued by every employer to every person employed by him at least a day prior to the disbursement of wages.</p> <p>(3) Every employer shall get the signature or thumb-impression of every person employed on the 1{register of wages} and wage slip.</p> <p>(4) Entries in the 1{register of wages} and wages slips shall be a authenticated by the employer or any person authorized by him in this behalf.</p>	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	Factory shall ensure to declare overtime hours in the issue payslips and issue payslips in local language	60 days	Desktop	Mr. Manoj Kumar Sharma / Manager- HR	Upload evidence of corrective action on Sedex portal	<p>Closed on 08th August 2019 by Desktop Review</p> <p>Closed on Sedex on 08th August 2019</p>

<p>Regular employment:1</p>	<p>New</p>	<p>Factory has not issued confirmation or probation extension letters to the employees after completion of their initial probation period (12 out of 26 samples) .</p> <p>Further the employment conditions (Condition 1 and 8) declared in the appoint letters is not comply with the local regulation (as declared in the certified standing order.</p> <p>That conditions declared in the appointment letters are: Condition 1; the probation period after 6 months can be further extended 2 times in 3 months period up to 2 years. Condition 8: If a person remains continuous 6 months on medical leave, the factory has the right to terminate the worker.</p> <p>Further the clause of probation in standing order need to be amended. The standing order declared that no benefits (like PF, ESI, Leave, Bonus etc are not to be provided to workers during the probation period.</p>	<p><input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:</p>	<p>Factory shall ensure:</p> <p>To issue confirmation or probation extension letters to all the applicable employees after completion of their initial probation period.</p> <p>Further the conditions 1 and 8 shall be changed according to conditions declared in the certified standing order.</p> <p>Also the clause of "benefits not to be provided to workers during probation period" shall be amended.</p>	<p>60 days</p>	<p>Desktop</p>	<p>Mr. Manoj Kumar Sharma / Manager- HR</p>	<p>Upload evidence of corrective action on Sedex portal</p>	<p>Closed on 08th August 2019 by Desktop Review</p> <p>Closed on Sedex on 08th August 2019</p>
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		<p>Law: According to item 2 of Schedule 1B of The Industrial Employment (SO) Act, 1946, the employers under terms and conditions stipulated in the letter of appointment, confirm the eligible workman and issue a letter of confirmation to him. Whenever a workman is confirmed, an entry with regard to the confirmation shall also be made in his service card within a period of thirty days from the date of such confirmation.</p>							
Environment:1		<p>Factory has not obtained authorisation for hazardous waste from the local pollution control board.</p> <p>Further factory has an agreement with one authorised agency on 29.03.2017 however no wastes were collected by the agency till date.</p> <p>Law: According to Section 12(1) of The Factories Act, 1948, Effective arrangement shall be made in every factory for the treatment of waste and effluents due to the manufacturing process carried on therein, so as</p>	<p><input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:</p>	<p>Factory shall ensure to obtain authorisation for storage and disposal of hazardous wastes from the local authority; also dispose all the hazardous wastes to authorised agency only.</p>	60 days	Desktop	Mr. Manoj Kumar Sharma / Manager- HR	Upload evidence of corrective action on Sedex portal	Open

		to render them innocuous, and for their disposal.							
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Corrective Action Plan – Observations

Observation Number <i>The reference number of the observation from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new observation identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Observation <i>Details of Observation</i>	Root cause <i>(completed by the site)</i>	Any improvement actions discussed <i>(Not uploaded on to SEDEX)</i>
Universal rights covering UNGP: 1	New	The factory does not have a policy covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.	Ignorance	Factory has agreed to have a policy covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.
Universal rights covering UNGP: 2	New	The factory does not have a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter.	Ignorance	Factory has agreed to have a transparent system in place for confidentially reporting and dealing with human rights impacts without fear of reprisals towards the reporter.

Good examples

Good example Number <i>The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7</i>	Details of good example noted	Any relevant Evidence and Comments

NA	None	NA
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Confirmation

<p>Please sign this document confirming that the above findings have been discussed with and understood by you: (site management) <i>If actual signatures are not possible in electronic versions, please state the name of the signatory in applicable boxes, as indicating the signature.</i></p>		
A: Site Representative Signature:	Mr. Manoj Kumar Sharma	Title : HR Manager Date : 16- May-2019
B: Auditor Signature:	Prasanna Sabato / Sanjeev Suman	Title : Lead Auditor / Member auditor Date: 16-May-2019
C: Please indicate below if you, the site management, dispute any of the findings. No need to complete D-E, if no disputes.		
D: I dispute the following numbered non-compliances: None		
E: Signed: (If <u>any</u> entry in box D, please complete a signature on this line)	NA	Title Date
F: Any other site Comments: NA		

Guidance on Root Cause

Explanation of the Root Cause Column

If a non-compliance is to be rectified by a corrective action which will also prevent the non-compliance re-occurring, it is necessary to consider whether a system change is required.

Understanding the root cause of the non-compliance is essential if a site is to prevent the issue re-occurring.

The root cause refers to the specific activity/ procedure or lack of activity /procedure which caused the non-compliance to arise. Before a corrective action can rectify the situation it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

Since this is a new addition, it is not a mandatory requirement to complete this column at this time. We hope to encourage auditors and sites to think about Root Causes and where they are able to agree, this column may be used to describe their discussion.

Some examples of finding a "root cause"

Example 1

Where excessive hours have been noted the real reason for these needs to be understood, whether due to production planning, bottle necks in the operation, insufficient training of operators, delays in receiving trims, etc.

Example 2

A non-compliance may be found where workers are not using PPE that has been provided to them. This could be the result of insufficient training for workers to understand the need for its use; a lack of follow-up by supervisors aligned to a proper set of factory rules or the fact that workers feel their productivity (and thus potential earnings) is affected by use of items such as metal gloves.

Example 3

A site uses fines to control unacceptable behaviour of workers.

International standards (and often local laws) may require that workers should not be fined for disciplinary reasons.

It may be difficult to stop fines immediately as the site rules may have been in place for some time, but to prevent the non-compliance re-occurring it will be necessary to make a system change.

The symptom is fines, but the root cause is a management system which may break the law. To prevent the problem re-occurring it will be necessary to make a system change for example the site could consider a system which rewards for good behaviour

Only by understanding the underlying cause can effective corrective actions be taken to ensure continuous compliance.

The site is encouraged to complete this section so as to indicate their understanding of the issues raised and the actions to be taken.





For more information visit: Sedexglobal.com

Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

[Click here for Buyer \(A\) & Buyer/Supplier \(A/B\) members:](#)

http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d

[Click here for Supplier \(B\) members:](#)

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d

[Click here for Auditors:](#)

<https://www.surveymonkey.co.uk/r/BRTVCKP>

