



Sedex Members Ethical Trade Audit Report

Version 6.0



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 1070289	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 1045699
Business name (Company name):	Norquest Brands Pvt Ltd		
Site name:	Norquest Brands Pvt Ltd		
Site address: <i>(Please include full address)</i>	A-1 to 4, Mohan Estate, Khokhra, Maninagar, Ahmedabad, 380008	Country:	INDIA
Site contact and job title:	Mr. Mitesh J Thakkar – Compliance Officer		
Site phone:	91-9377457272	Site e-mail:	Mitesh@norquestbrands.com
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety	<input checked="" type="checkbox"/> Environment <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	14.03.2019 & 15.03.2019		

Audit Company Name & Logo: SGS INDIA Pvt Ltd.	Report Owner (payee): <i>(If paid for by the customer of the site please remove for Sedex upload)</i> Norquest Brands Pvt Ltd.
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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)			

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: Sudhakar Shukla

Team auditor: NA

Interviewers: Sudhakar Shukla

Report writer: Sudhakar Shukla

Report reviewer: Sabina Pinto

Audit Company Report Reference: 9010454

Date of declaration: 22-Mar-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.

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*:			Findings <i>(note to auditor, summarise in as few words as possible NCs, Obs and GE)</i>
	ETI Base Code	Local Law	Additional Elements	Customer Code	NC	Obs	GE	
0A Universal Rights covering UNGP			<input type="checkbox"/>	<input type="checkbox"/>		03	00	<ul style="list-style-type: none"> Factory does not have a policy regarding universal rights. Factory has not appointed a person responsible for implementing standard concerning universal rights. Factory has not communicated universal right policy to their relevant stakeholders.
0B Management systems and code implementation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	01	00	00	<ul style="list-style-type: none"> Minimum Wages Act, Factories Act & The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act abstracts were not found displayed.
1. Freely chosen Employment	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	00	00	00	<ul style="list-style-type: none"> NONE
2. Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	00	00	00	<ul style="list-style-type: none"> NONE
3. Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	06	00	00	<ul style="list-style-type: none"> Security guard was found not trained on firefighting.

									<ul style="list-style-type: none"> Ladder was found without handrails in periphery. Wastes were found not segregated in periphery. Third floor storage area was found mismanaged and without firefighting equipment. In Approved building layout plan, second floor (ironing & inspection section) was found not mention, In addition cutting process was found mention in first floor in approved layout while it is occurring in ground floor. Goods lift (capacity – 01 MT) registration (installation) was found not done by the factory.
4	<u>Child Labour</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	00	00	00	<ul style="list-style-type: none"> NONE
5	<u>Living Wages and Benefits</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>	02	00	00	<ul style="list-style-type: none"> During the wages verification it was confirmed that factory comes under Zone I as per Labour & Employment Department Gujarat while factory is paying to all workers as per Zone II minimum wages, decided by State Government. During the wages verification it was confirmed that factory comes under Zone I as per Labour & Employment Department Gujarat while factory is paying to all workers as per Zone II minimum wages, decided by State Government, hence ESI & EPF calculation is not matching.

6	<u>Working Hours</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	00	00	00	<ul style="list-style-type: none"> NONE
7	<u>Discrimination</u>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	00	00	00	<ul style="list-style-type: none"> NONE
8	<u>Regular Employment</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	01	00	00	<ul style="list-style-type: none"> Security guard's employment contract terms & agreement letter was not found for review.
8A	<u>Sub-Contracting and Homeworking</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	00	00	00	<ul style="list-style-type: none"> NONE
9	<u>Harsh or Inhumane Treatment</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	01	00	00	<ul style="list-style-type: none"> External member was found not the member of Internal Complain Committee as per requirement of & The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act..
10A	<u>Entitlement to Work</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	00	00	00	<ul style="list-style-type: none"> NONE
10B2	<u>Environment 2-Pillar</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	00	00	00	<ul style="list-style-type: none"> It was 04 Pillar audit hence NA.
10B4	<u>Environment 4-Pillar</u>		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	01	00	00	<ul style="list-style-type: none"> Approved Pollution consent was not found however factory has applied on 20.04.2017 (Application ID – 398116).
10C	<u>Business Ethics</u>		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	00	00	00	<ul style="list-style-type: none"> Training on Business Ethics to relevant workers was found not given. Factory has not established transparent system for confidentially reporting and dealing with unethical business.
General observations and summary of the site:									

- Site has started its business from this place (Norquest Brands Pvt Ltd, Plot no. A-1 to 4, Mohan Estate, Khokhra, Maninagar, Ahmedabad, 380008) in the year 2014.
- Site has obtained factory license (No. – 28775, Valid up to 31.12.2021) with approval of 250 Manpower and 100 HP.
- It was General SMETA 04 Pillar audit, called by factory.
- Agenda of audit was discussed with Compliance Manager – Mr. Mitesh J Thakkar.
- Site is working in 01 shift that is – 09:30 AM to 18:00 PM, Lunch Timing – 13:00 hrs to 13:30 hrs.
- Site is producing/manufacturing cotton bags, factory is producing 02 lakhs pcs per month (General) and 25 thousand pcs (designed) pcs per month.
- Factory has total 122 employees, on the day of audit there were total 109 employees present (Factory Workers – 79, Male - 17 & Female – 62) Staff – 15 Male & 10 Female.
- Factory process – (Raw Material (Cotton Fabric)- Cutting – Inspection (Printing If require) - Stitching – Inspection – ironing – Inspection – Finishing – Packing – Dispatch).
- On the day of audit 03 sampled months (February 2019, August 2018 & April 2018) were taken for wages and time records verification of 10 workers, workers attendance record system is biometric.
- There is peak period which start from July to October and lean period is consider as March to May.
- Worker's weekly off is Sunday.
- Minimum Wages Act, Factories Act & The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act abstracts were not found displayed.
- Wastes were found not segregated in periphery.
- In Approved building layout plan, second floor (ironing & inspection section) was found not mention, In addition cutting process was found mention in first floor in approved layout while it is occurring in ground floor.

**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:	Norquest Brands Pvt Ltd.																			
B: Site name:	Norquest Brands Pvt Ltd.																			
C: GPS location: (if available)	GPS Address:	Latitude: 23.0051962 Longitude: 72.6112837																		
D: Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Factory License – License No. – 28775, Approved manpower – 250, Approved Electrical Power – 100 HP (Valid Up to 31.12.2021) Fire Noc – FB No. 92																			
E: Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc.	Manufacturing of Cotton Bags																			
F: Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	<table border="1"> <thead> <tr> <th>Production Building no</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td>Periphery</td> <td>Security, Parking, Lunchroom, Toilets</td> <td></td> </tr> <tr> <td>Ground Floor</td> <td>Store (Fabric + Accessories), Cutting, Inspection</td> <td></td> </tr> <tr> <td>First Floor</td> <td>Stitching</td> <td></td> </tr> <tr> <td>Second Floor</td> <td>Stitching, Ironing, packing,</td> <td>In Approved building layout plan, second floor (ironing & inspection section) was found not mention, in addition cutting process was found mention in first floor in approved layout while it is occurring in ground floor.</td> </tr> <tr> <td>Terrace</td> <td>Storage</td> <td></td> </tr> </tbody> </table>		Production Building no	Description	Remark, if any	Periphery	Security, Parking, Lunchroom, Toilets		Ground Floor	Store (Fabric + Accessories), Cutting, Inspection		First Floor	Stitching		Second Floor	Stitching, Ironing, packing,	In Approved building layout plan, second floor (ironing & inspection section) was found not mention, in addition cutting process was found mention in first floor in approved layout while it is occurring in ground floor.	Terrace	Storage	
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	<table border="1" data-bbox="657 219 1487 286"> <tr> <td data-bbox="657 219 933 286">Is this a shared building?</td> <td data-bbox="933 219 1197 286"></td> <td data-bbox="1197 219 1487 286"></td> </tr> </table> <p>For below, please add any extra rows if appropriate.</p> <p>Visible structural integrity issues (large cracks) observed?</p> <p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>Please give details: No large cracks were found on the day of audit.</p> <p>Does the site have a structural engineer evaluation?</p> <p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Please give details: Engineer Kaushik M. Shah has done structural evaluation and given stability certificate.</p>	Is this a shared building?		
Is this a shared building?				
G: Site function:	<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>			
H: Month(s) of peak season: (if applicable)	July to October			
I: Process overview: (Include products being produced, main operations, number of production lines, main equipment used)	(Raw Material (Cotton Fabric)- Cutting – Inspection (Printing If require) - Stitching – Inspection – ironing – Inspection – Finishing – Packing – Dispatch)			
J: What form of worker representation / union is there on site?	<p><input type="checkbox"/> Union (name)</p> <p><input checked="" type="checkbox"/> Worker Committee</p> <p><input checked="" type="checkbox"/> Other (specify)</p> <p><input type="checkbox"/> None</p>			
K: Is there any night production work at the site?	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>			
L: Are there any on site provided worker accommodation buildings e.g. dormitories	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> <p>If yes approx. % of workers in on site accommodation</p>			
M: Are there any off site provided worker accommodation buildings	<p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p>			

	If Yes approx. % of workers
N: Were all site provided accommodation buildings included in this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If No, please give details – factory has not provided any accommodation.

Audit Parameters			
A: Time in and time out	Day 1 Time in: 09:45 AM Day 1 Time out: 06:00 PM	Day 2 Time in: 09:38 AM Day 2 Time out: 02:00 PM	Day 3 Time in: NA Day 3 Time out: NA
B: Number of auditor days used:	1.5 Mandays (01 Auditor)		
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 type="checkbox"/> Partial Other 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No If No, why not – Facility was not aware.		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause – NA		
G: Who signed and agreed CAPR (Name and job title)	Mr. Mitesh J Thakkar – Compliance Officer		
H: Is further information available (If yes please contact audit company for details)	<input type="checkbox"/> Yes <input type="checkbox"/> No – NA		
I: Previous audit date:	27 & 28 th April 2018		
J: Previous audit type:	Announced		
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 checked="" type="checkbox"/> Yes <input 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>	They were busy in the lunch.		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	No Union		

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	17	00	02	00	00	00	00	19
Worker numbers – female	62	00	00	00	00	00	00	62
Total	79	00	02	00	00	00	00	81
Number of Workers interviewed – male	01	00	01	00	00	00	00	02
Number of Workers interviewed – female	08	00	00	00	00	00	00	08
Total – interviewed sample size	09	00	01	00	00	00	00	10

A: Nationality of Management	INDIAN
B: Nationality of workers <i>Please add more rows as applicable</i>	Countries: Country 1: <u>_INDIA_</u> Country 2: _____ Country 3: _____
C: For the majority nationality of workers:	Nationality 1 approx % total workforce <u>_100%</u> Nationality 2 approx % total workforce _____ Nationality 3 approx % total workforce _____ All workers & Management belong to Indian Citizenship.
D: Worker remuneration (management information)	_____ % workers on piece rate _____ % hourly paid workers _____ 100 _____ % salaried workers Payment cycle: _____ % daily paid _____ % weekly paid

	<p>_100_____ % monthly paid _____ % other If other, please give details</p>
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Worker Interview Summary	
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B: Were workers aware of the code?	<input type="checkbox"/> Yes <input checked="" 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>	01 group of 04 male workers
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	Male: 03 Female: 03
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 no, please give details
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?	No complaint was found during the workers interaction.
I: What did the workers like the most about working at this site?	Workers provided positive feedback.
J: Any additional comment(s) regarding interviews:	None
K: Attitude of workers to hours worked:	Working hours and attitude of the management
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>	

- No negative comments received from the workers against the management.
- No walk outs / strikes have taken place in the factory till date.
- Workers confirmed that the factory does not hire any child labour.
- It was observed that all the workers are freely working in the factory
- Workers are happy with the present work place facilities / conditions in the factory.

They also confirmed that they receive wages on monthly basis before 7th of every month. By bank transfer. In their respective accounts.

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

Worker's attitude was cooperative.

O: Attitude of managers:

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

Managers were co-operative during the audit.

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:

Due to unawareness of code requirements, Factory does not have a policy regarding universal rights neither they have appointed a person responsible for implementing standard concerning universal rights, and also factory has not communicated universal right policy to their relevant stakeholders.

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

Details:

Factory does not have a policy regarding universal rights.

Factory has not appointed a person responsible for implementing standard concerning universal rights.

Factory has not communicated universal right policy to their relevant stakeholders

Confirmed during Management interaction & documents review.

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 (mainly applicable for the parent company): Due to unawareness of the code, factory has not maintained the policy.</p>
<p>B: Does the business have a designated person responsible for implementing standards concerning Human Rights?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Name: Job title: Due to unawareness of the code, factory has not appointed the person for implementing standards concerning Human rights.</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: Factory has transparent system in place, a worker can reach to management and discuss his concern.</p>
<p>D: 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: Factory has maintained suggestion Box/Complaint Box.</p>
<p>E: 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: Factory maintains all the data of the workers in the office under the control of Mr. Mitesh J Thakkar – Compliance Manager.</p>

Findings	
<p>Finding: Observation <input checked="" type="checkbox"/> Company NC <input type="checkbox"/></p> <p>Description of observation: Factory does not have a policy regarding universal rights.</p> <p>Local law or ETI/Additional elements / customer specific requirement:</p> <p>ETI Codes – 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 to the factory to create and implement a policy regarding universal rights.</p>	<p>Objective evidence observed:</p> <p>During Document Review & Management Interaction</p>

<p>2 Finding: Observation <input checked="" type="checkbox"/> Company NC <input type="checkbox"/></p> <p>Description of observation: Factory has not appointed a person responsible for implementing standard concerning universal rights.</p> <p>Local law or ETI/Additional elements / customer specific requirement:</p> <p>ETI Code – 0.A.2 - Businesses should have a designated person responsible for implementing standards concerning Human Rights.</p> <p>Comments: It is recommended to the factory to appoint a person responsible for implementing standards concerning universal rights.</p> <p>3 Finding: Observation <input checked="" type="checkbox"/> Company NC <input type="checkbox"/></p> <p>Description of observation: Factory has not communicated universal right policy to their relevant stakeholders.</p> <p>Local law or ETI/Additional elements / customer specific requirement:</p> <p>ETI Code – 0.A.3 - Businesses shall identify their stakeholders, their impact and salient issues.</p> <p>ETI Codes – 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 to factory to create and communicate the universal right policy to all their stakeholders.</p>	<p>During Document Review & Management Interaction</p> <p>During Document Review & Management Interaction</p>
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Good examples observed:	
Description of Good Example (GE): None	Objective Evidence Observed: None

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: _3_ %	This year _0_ %
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]	0 %	
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: _5_ %	This year _0_ %
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	1 %	0 %
E: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Factory is maintain form 15, no accident recorded/occurred in last 01 year.	
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: Number: 0	This year: Number: 0
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]	0	0
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: 0	This year: 0
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: Various abstracts and ETI base code displayed at the notice board.

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

- Details: Mr. Mitesh J Thakkar – Compliance Manager is responsible for all compliance with applicable laws and regulations.
- Factory has business license (Lic No.- 28775) for 250 manpower and 100 hp.

Any other comments: Minimum Wages Act, Factories Act & The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act abstracts were not found displayed.

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 give details:</p>
<p>B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has internal policies on forced labour, child labour, discrimination, harassment & abuse further factory has ETI code of conduct policy.</p>
<p>C: If Yes, is there evidence (an indication) of effective implementation? Please give details.</p>	<p>Factory has given ETI code of conduct training on 10.01.2019.</p>
<p>D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has given ETI code of conduct training on 10.01.2019.</p>

<p>E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has given ETI code of conduct training on 10.01.2019, training records has been verified.</p>
<p>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).</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:</p>
<p>G: Is there a Human Resources manager/department? If Yes, please detail.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Human Resource department is lead by Ms. Jayshree.</p>
<p>H: Is there a senior person /manager responsible for implementation of the code</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Compliance officer Mr. Mitesh J Thakkar is responsible for implementation of ETI code of Conduct. Appointment Letter – 01.01.2019</p>
<p>I: Is there a policy to ensure all worker information is confidential</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: They have a policy regarding workers information should be kept confidential.</p>
<p>J: Is there an effective procedure to ensure confidential information is kept confidential</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: All worker information is kept locked in HR room in the factory.</p>
<p>K: Are risk assessments conducted to evaluate policy and procedure effectiveness?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory conducted the risk assessment on 01.12.2018.</p>
<p>L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory conducted the risk assessment on 01.12.2018.</p>
<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 Please give details: Site has communicated its all policies (Social) to its 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 Please give details: Entity has obtained factory license (no. 28775) to use this place as a</p>

	<p>manufacturing unit and site is operational in 04 plots (Shed no. 01 to 04) shed no. 01 & 03 was purchased from 'Shree Mahavir Trading company' on 05.02.2014 and this deed is registered in sub registrar office Ahmedabad. Deed No. AHD-7-OHD(908/0/46) Stamp Duty Paid – Rs. 98800/- And Rest 02 sheds (Shed no. 03 & 04) are factory using as on rent. Rent agreement was done on 03.01.2017 with 'Vanguard Clothing Company'. Rent Amount – Rs. 90000/- Per month.</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 Please give details: Site is operational in 04 plots (Shed no. 01 to 04) shed no. 01 & 03 was purchased from 'Shree Mahavir Trading company' on 05.02.2014 and this deed is registered in sub registrar office Ahmedabad. Deed No. AHD-7-OHD(908/0/46) And Rest 02 sheds (Shed no. 03 & 04) are factory using as on rent. Rent agreement was done on 03.01.2017 with 'Vanguard Clothing Company'.</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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, how does the company obtain FPIC: Site has registered in Companies Act further site has purchased 02 sheds from 'Shree Mahavir Trading company' on 05.02.2014 and this deed is registered in sub registrar office Ahmedabad. Deed No. AHD-7-OHD(908/0/46). And Rest 02 sheds are factory using as on rent. Rent agreement was done on 03.01.2017 with 'Vanguard Clothing Company'.</p>
<p>Q: Is there evidence that facility / site compensated the owner/lessor for the land prior to the facility being built or expanded.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Site is operational in 04 plots (Shed no. 01 to 04) shed no. 01 & 03 was purchased from "Shree Mahavir Trading company" on 05.02.2014 and this deed is registered in sub registrar office Ahmedabad. Deed No. AHD-7-OHD(908/0/46) Stamp Duty Paid – Rs. 98800/- And Rest 02 sheds (Shed no. 03 & 04) are factory using as on rent. Rent agreement was done on 03.01.2017 with 'Vanguard Clothing Company'. Rent Amount – Rs. 90000/- Per month.</p>
<p>R. Does the Facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Entity has obtained factory license (no. 28775) to use this place as a</p>

	<p>manufacturing unit and site is operational in 04 plots (Shed no. 01 to 04) shed no. 01 & 03 was purchased from 'Shree Mahavir Trading company' on 05.02.2014 and this deed is registered in sub registrar office Ahmedabad. Deed No. AHD-7-OHD(908/0/46) Stamp Duty Paid – Rs. 98800/- And Rest 02 sheds (Shed no. 03 & 04) are factory using as on rent. Rent agreement was done on 03.01.2017 with 'Vanguard Clothing Company'. Rent Amount – Rs. 90000/- Per month.</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 Please give details: Site is operational in 04 plots (Shed no. 01 to 04) shed no. 01 & 03 was purchased from 'Shree Mahavir Trading company' on 05.02.2014 and this deed is registered in sub registrar office Ahmedabad. Deed No. AHD-7-OHD(908/0/46) And Rest 02 sheds (Shed no. 03 & 04) are factory using as on rent. Rent agreement was done on 03.01.2017 with 'Vanguard Clothing Company'.</p>

Non-compliance:	
<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code:</p> <p>Minimum Wages Act, Factories Act & The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act abstracts were not found displayed.</p> <p>Local law and/or ETI requirement: As per ETI Code of Conduct 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.</p> <p>According to rule 22 of the Minimum Wages Central Rules 1950 - Notices in {Form IX-A} containing the minimum rates of wages fixed together with {abstracts of} the Act, the rules made thereunder and the name and address of the Inspector shall be displayed in English and in a language understood by the majority of the workers in the employment 2{at the main entrances to the establishment and at its office} and shall be maintained in a clean and legible condition. Such notices shall also be displayed on the notice-boards of all sub-divisional and district offices. According to Section 108(1)&(2) of The Factories Act, 1948, (1) In addition to the notices required to be displayed in any factory by or under this Act, there shall be displayed in every factory a notice containing such abstracts of this Act and of the rules made thereunder as may be prescribed and also the name and address of the Inspector and the certifying surgeon. (2) All notices required by or under this Act to be displayed in a factory shall be in English and in a language understood by the majority of</p>	<p>Objective evidence observed: Factory Round and Management Interaction</p>

<p>the workers in the factory, and shall be displayed at some conspicuous and convenient place at or near the main entrance to the factory, and shall be maintained in a clean and legible condition.</p> <p>In accordance with Minimum Wages (Central) Rules 1950, Section 22 the factory should display notices (Form IX-containing the minimum rates of wages fixed together with [abstract of] the Act, Rules made there under and the name and address of the inspector shall be displayed in English and in a language understood by majority of the workmen in the employment [at the main entrance to the establishment and its office] and shall be maintained in a clean and legible condition.</p> <p>Recommended corrective action: Factory shall display all legal acts in prescribed manner.</p>	
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Observation:	
<p>Description of observation: NONE</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed: NONE</p>

Good Examples observed:	
<p>Description of Good Example (GE): NONE</p>	<p>Objective evidence observed: NONE</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:

- Forced labour policy.
- Interaction with management staffs and employees.
- No formal copies held by the management & only photocopies are kept by HR team for records.
- All employees are provided with employment letter on hiring mention their terms & condition on work, where notice period also mentioned for resignation.
- Security guards do not stop workers while leaving the premises, after discussion with the management any needy worker can leave the premises & HR give them the issue slip for that.

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

Details:

- Employee Handbook.
- Factory Rules.
- Management & worker interview.
- Workers interviews confirmed that they are not required to submit any original documents or any deposits with the employer. They also confirmed that they are working voluntarily in the factory.
- Workers interviews confirmed that they can leave their employer after reasonable notice of one month.
- At the time of audit, there was no evidence of forced, bonded or prison labor in the factory.

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 workers affected:</p>
<p>C: Is there any evidence of retention of wages /deposits</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

	If yes, please give details and category of workers affected:
D: Are there any restrictions on workers' freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe finding:
E: If any part of the business is UK based or registered there & has a turnover over £36m, is there is a published 'modern day slavery statement.	<input type="checkbox"/> Yes <input type="checkbox"/> No Please describe finding: <input checked="" type="checkbox"/> Not applicable
G: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe finding:
H: Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	<input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please give details and category of workers affected: <input checked="" type="checkbox"/> Not applicable – No forced or trafficked labour was found on the day of audit and site ensure that in its supply chain there is no use of forced/trafficked/bonded labour is working.
I: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	<input type="checkbox"/> Yes <input type="checkbox"/> No Please describe finding: NA, No forced or trafficked labour was found on the day of audit and site ensure that in its supply chain there is no use of forced/trafficked/bonded labour is working

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</p> <p>Local law and/or ETI requirement</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: None</p>
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Observation:	
<p>Description of observation: None</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed: None</p>

Good Examples observed:	
<p>Description of Good Example (GE): None</p>	<p>Objective evidence observed: None</p>

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:

- Works committee meeting minutes and records
- Policy on freedom of association and collective bargaining.
- There is no union at the site
- There is evidence of a worker's committee
- The committee members were chosen by fellow workers.
- Worker interview confirmed that the members of the worker's committee had been elected by fellow workers.

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

Details:

Minutes of the works committee meeting

- Site policy on freedom of association
- Interview with workers
- Interview with worker's committee members
- Interview with managers

Any other comments: None

A: What form of worker representation/union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input checked="" type="checkbox"/> Other (specify) – Grievance Committee, Internal Complain Committee, Suggestion Box <input type="checkbox"/> None
B: Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

C: Is it a legal requirement to have a worker's committee?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Describe: Grievance Committee – Latest 03.11.2018 (Previous – 01.05.2018) Election – 04.04.2018 (05 Members) Workers & Safety Committee – Latest 08.02.2019 (Previous – 12.11.2018) Election 04.04.2018 (07 members) Suggestion Box – On every 15 th Day Internal Complain Committee – 28.11.2018 Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details:	
F: Name of union and union representative, if applicable:	No Union	Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
G: If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	There is work committee, Grievance Committee & internal Complain Committee.	Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
H: Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
I: Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Date of last election: 04.04.2018
J: Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
K: Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please state how many: 01	
L: Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	All Committees meeting is held in every 06 months. Grievance Committee – Latest 03.11.2018 (Previous – 01.05.2018) Workers & Safety Committee – Latest 08.02.2019 (Previous – 12.11.2018) Suggestion Box – On every 15 th Day Internal Complain Committee – 28.11.2018	

M: Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
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
If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

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</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: None</p>

Observation:	
<p>Description of observation: None</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed: None</p>

Good Examples observed:	
<p>Description of Good Example (GE): None</p>	<p>Objective evidence observed: None</p>

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:

- Factory license
- Fire Noc
- H&S policy
- List of first aid box, fire extinguishers and training records of first aid and fire fighting operations.
- Fire mock drill record
- Drinking water test report - 08.01.2019 by agency Excel Enviro Tech

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

- Details: Factory has valid business licence to operate – Lic No.- (28775), valid up to 31.12.2021 100 H.P, with 250 persons allowed to work as per the factory license.
- Factory has obtained fire NOC from concerned department FB No. 92.
- Mr. Mitesh J Thakkar – Compliance Manager is responsible for Health and Safety issues.
- Factory has adequate lighting arrangements as well as well ventilated.
- Emergency lights are provided at all sections of the factory.
- Fire evacuation drills were conducted regularly. Latest drill was conducted on 24.01.2019 by external team (agency – Seema Enterprises) and Mock drill was conducted by internal team on 23.11.2018.
- Factory has provided adequate fire Fighting equipment (Fire Extinguisher – 35, MCP – 07, Emergency Light – 08, Hooter - 01) for this size of the factory.
- Factory has provided adequate number of toilets for male and female workers.

Any other comments: In Approved building layout plan, second floor (ironing & inspection section) was found not mention, in addition cutting process was found mention in first floor in approved layout while it is occurring in ground floor.

<p>A: Does the facility have general 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>Please give details: Factory has Health & Safety Policy effective from 01.01.2017.</p>
<p>B: Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Personal files were verified.</p>
<p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: In Approved building layout plan, second floor (ironing & inspection section) was found not mention, In addition cutting process was found mention in first floor in approved layout while it is occurring in ground floor.</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>Please give details: Factory has no such process which require any specific use of personal protective equipment, however factory has discussed about process before going on factory visit.</p>
<p>E: Is a medical room or medical facility provided for workers? If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: Not applicable on factory.</p>
<p>F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: First Aider – 10 (Dr. Nikhil Patel) 08.02.2019 yearly</p>
<p>G: Where the facility provides worker transport - is it fit for purpose, safe, maintained and operated by</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p>

competent persons e.g. buses and other vehicles?	
H: Is secure personal storage space provided for workers in their living space and is it fit for purpose?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: No living place provide by the factory hence NA.
I: Are H&S Risk assessments conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Factory has done risk assessment on 01.12.2018.
J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Approved Pollution consent was not found however factory has applied on 20.04.2017 (Application ID – 398116).
K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Approved Pollution consent was not found however factory has applied on 20.04.2017 (Application ID – 398116).

Non-compliance:

1. Description of non-compliance:

NC against ETI
 NC against Local Law
 NC against customer code:
 Security guard was found not trained on firefighting.

Local law and/or ETI requirement: In accordance with Factories act1948, Section (12b) sufficient number of persons shall be trained in the types of fire for which they are intended to ensure that adequate number of persons are available for firefighting both by means of first – aid firefighting equipment and others. Such persons shall be provided with clothing and equipment including helmets, belts and boots, preferably gumboots. Wherever vehicles with towing attachment are to be provided as required include(d) of sub –rule 91 (1) sufficient number of persons shall be trained in driving these vehicles to ensure that trained persons are available for driving them wherever the need arises
As per ETI Code of Conduct - 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.

Objective evidence observed:
Workers interaction and Management Interaction

Recommended corrective action: Factory shall train all relevant workers on all basic health & safety training.

2. Description of non-compliance:

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

Ladder was found without handrails in periphery.

Local law and/or ETI requirement: As Per 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 without 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.

As per ETI Code of Conduct - 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: Factory shall provide ladder with handrails.

3. Description of non-compliance:

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

Wastes were found not segregated in periphery.

Local law and/or ETI requirement: In accordance with Solid Waste Management Rules 2016, Part 4 Duties of waste generators.- (1) Every waste generator shall,- (a) segregate and store the waste generated by them in three separate streams namely bio-degradable, non biodegradable and domestic hazardous wastes in suitable bins and handover segregated wastes to authorised waste pickers or waste collectors as per the direction or notification by the local authorities from time to time; (b) wrap securely the used sanitary waste like diapers, sanitary pads etc., in the pouches provided by the manufacturers or brand owners of these products or in a suitable wrapping material as instructed by the local authorities and shall place the same in the bin meant for dry waste or non- bio-degradable waste; (c) store separately construction and demolition waste, as and when generated, in his own premises and shall dispose off as per the Construction and Demolition Waste Management Rules, 2016; and (d) store horticulture waste and garden waste generated from his premises separately in his own premises and dispose of as per the directions of the local body from time to time.

Recommended corrective action: Factory shall segregate wastes as per prescribed manner.

4. Description of non-compliance:

Factory Round

Factory Round

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

Third floor storage area was found mismanaged and without firefighting equipment.

Local law and/or ETI requirement: As Per 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 without risks to health, (b) The arrangements in the factory for ensuring safety and absence of risks to health in connection with the use, handling, 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.

As per ETI Code of Conduct - 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: Factory shall maintain the premise in safe and clean manner further firefighting equipment make available in all sections/area.

5. Description of non-compliance:

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

In Approved building layout plan, second floor (ironing & inspection section) was found not mention, In addition cutting process was found mention in first floor in approved layout while it is occurring in ground floor.

Local law and/or ETI requirement: As Per Gujarat Factories Rules 1963, Rule 3 to II prescribed under sub-section, Approval of plans - (1) An application for obtaining previous permission for the site on which the factory is to be situated and for the construction or extension of a factory shall be made to the Chief Inspector of Factories, Application for such permission shall be made in Form No. 1 which shall be accompanied by the following documents (a) a flow chart of the manufacturing process supplemented by a brief description of the process in its various stages; (b) plans in duplicate drawn to scale showing:- (i) the site of the factory and immediate surroundings including adjacent buildings and other structures, roads, drains, etc.; (ii) the plan elevation and necessary cross-sections of the various buildings, indicating all relevant details relating to natural lighting, ventilation and means of escape in case of fire. The plans shall also clearly indicate the position of the plant and machinery, aisles and passage ways; and (c) such other particulars as the Chief Inspector may require, (2) If the Chief Inspector is satisfied that the plans are in consonance with the requirements of the Act he shall, subject to such conditions as he may specify, approve them by signing and returning to the applicant one copy of each plan or tie may call for such approval to be given.

Factory Round

Document Verification & Management Interaction

<p>1 [3-A. No building or premises shall be constructed, extended or taken into use as factory or part of factory unless the previous permission in writing is obtained from the Chief Inspector of Factories.</p> <p>Recommended corrective action:</p> <p>6. Description of non-compliance: <input type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: Goods lift (capacity – 01 MT) registration (installation) was found not done by the factory. Local law and/or ETI requirement: As per Gujarat Lifts and Escalators Rules 2001, Chapter II, Permission for installing lift or escalator or for making additions or alterations to the installed lift or escalator - (1) Every owner of a place intending (i) to install a lift or an escalator in such place, or (ii) to make additions or alterations to a lift or an escalator already installed at such place, shall make an application in form set out in Annexure – I, in case of a lift and in form set out in Annexure II, in case of an escalator to the officer authorized under sub section (1) of section 3 before any work in connection with the installation of the lift or escalator or additions or alterations there to is started. Every such application shall be accompanied by three copies of drawings of the installations, or as the case may be, of the additions and alterations duly signed by the applicant proposes to entrust the work of installing the lift or escalator, or as the case may be of additions and alterations there to. Recommended corrective action: Factory shall do registration of its lift as prescribed by law.</p>	<p>Document Verification & Management Interaction</p>
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Observation:	
<p>Description of observation: NONE</p> <p>Local law or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: NONE</p>

Good Examples observed:	
<p>Description of Good Example (GE): NONE</p>	<p>Objective Evidence Observed: NONE</p>

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:

- Recruitment policy
- Personnel files verification of sampled workers.
- Employee Interview & Visual observation during the factory tour.

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

Details:

- Factory has displayed child labor prohibition policy in the premises.
- No child labour was found during audit at the factory. Also, no evidence of past employment of child labour was found at the factory.
- Factory had verified the age of the workers at the time of employment and collected age proof documents such as Aadhar Card and Election Id, etc.
- Workers interviews confirmed that factory does not hire child labour.

Any other comments: **NONE**

A: Legal age of employment:	18 years
B: Age of youngest worker found:	18 Years
C: Are there children present on the work floor but not working at the 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: Are workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please 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 Local law and/or ETI requirement: Recommended corrective action:	Objective evidence observed: NONE

Observation:	
Description of observation: NONE Local law or ETI requirement: Comments:	Objective evidence observed: NONE

Good Examples observed:	
Description of Good Example (GE): NONE	Objective Evidence Observed: NONE

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:

- ESI and PF challans and returns
- Professional Tax
- Employment order verification of sampled workers
- List of holidays
- Factory has provided payroll records for the sample months – December 2018, May 2018 & February 2018.

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

- Legal benefits like Provident Fund, Employee State Insurance are provided for all the employees.
- During review of sampled months, it was verified that minimum wages are guaranteed to all the workers as per law.
- Workers interviews confirmed that factory has provided with written and understandable information about their employment conditions in respect of wages before they enter employment.

Any other comments: During the wages verification it was confirmed that factory comes under Zone I as per Labour & Employment Department Gujarat while factory is paying to all workers as per Zone II minimum wages, decided by State Government.

During the wages verification it was confirmed that factory comes under Zone I as per Labour & Employment Department Gujarat while factory is paying to all workers as per Zone II minimum wages, decided by State Government, hence ESI & EPF calculation is not matching.

Non-compliance:

1. Description of non-compliance:	Objective evidence observed:
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NC against ETI NC against Local Law NC against customer code:

During the wages verification it was confirmed that factory comes under Zone I as per Labour & Employment Department Gujarat while factory is paying to all workers as per Zone II minimum wages, decided by State Government.

Local law and/or ETI requirement: As Per ETI code of Conduct 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.

As Per Notification no. KHR/2014/52/LVD/10/2013/575849/M(2) issued by Labour and Employment Department, dated 25 February 2014

(1) (a) Zone-I shall comprise the area in the State of Gujarat within the limits of the Municipal Corporation as constituted under the Gujarat Provincial Municipal Corporation Act, 1949 and the areas within the limits of the Municipality as constituted under the Gujarat Municipalities Act, 1963 and the areas falling within the jurisdiction of concerned Urban Development Authority.

(b) Zone-II shall comprise all the areas in the State of Gujarat other than those included in Zone-I.

Recommended corrective action: Factory shall ensure that all workers will pay as per prescribed by law.

2. Description of non-compliance:

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

During the wages verification it was confirmed that factory comes under Zone I as per Labour & Employment Department Gujarat while factory is paying to all workers as per Zone II minimum wages, decided by State Government, hence ESI & EPF calculation is not matching.

Local law and/or ETI requirement: As per Section 2(22) of The Employees State Insurance Act 1948, "Wages "means all remuneration paid or payable in cash to an employee, if the terms of the contract of employment, express or implied were fulfilled and includes any payment to an employee in respect of any period of authorized leave, lock-out, strike, which is not illegal or layoff and other additional remuneration, if any, paid at intervals not exceeding two months but does not include— a) any contribution paid by the employer to any pension fund or provident fund or under this Act; b) any traveling allowance or the value of any traveling concession; c) any sum paid to the person employed to defray special expenses entailed on him by the nature of his employment; or d) Any gratuity payable on discharge.

According to Section (6) of The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 - The contribution which shall be paid by the employer to the Fund shall be [12 percent] of the basic wages, dearness allowance and retaining allowance (if any) for the time being payable to each of the employees [(whether employed by him directly or by or through a contractor)], and the employee's contribution shall be equal to the contribution payable by the employer in respect of him. Provided further that where the amount of any contribution payable under this Act involves a fraction of a rupee, the scheme may provide for rounding off of such fraction to the nearest rupee, half of a rupee, or quarter of a rupee.

During Document Verification & Management Interaction

During Document Verification & Management Interaction

<p>According to the Supreme Court of India judgment dated 09/08/2004 in the case of Group 4 Securities Guarding Ltd. v/s Regional Provident Fund Commissioner, Factory shall ensure not to split the basic minimum wages into HRA and other allowances to avoid or minimize its contribution towards the provident fund. According to the order of E.P.F Appellate Tribunal - New Delhi dated 17th February 2005; in the case of JMA Ltd. v/s Assistant Provident Fund Commissioner, Faridabad, Factory shall ensure not to split the minimum wages into Basic, HRA and other allowances to avoid or minimize its contribution towards the provident fund. According to Central Provident Fund Commissioner circular No. Coord./4(6)2003/clarification/Vol-II/7394 dated 23.05.2011, Splitting of Minimum wages for the purpose of Provident Fund contribution not permissible.</p> <p>Recommended corrective action: Factory shall ensure that workers salary and social benefit calculation be in prescribed manner.</p>	
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Observation:	
<p>Description of observation: NONE</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed: NONE</p>

Good Examples observed:	
<p>Description of Good Example (GE): NONE</p>	<p>Objective Evidence Observed: NONE</p>

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?
<p>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></p>	<p>Legal maximum: 8hrs per day, 48 Hrs per week & 208 hrs in a month.</p>	<p>8hrs per day, 48 Hrs per week & 192 hrs in a month.</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>B: Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i></p>	<p>Legal maximum:</p>	<p>No Overtime hence NA</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

	2 hrs per day & 12 hrs per week & 50 hrs in a quarter.		
C: 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: (Per Day) Unskilled – Zone (1) Rs.312.20, (2) Semiskilled – Rs. 320.30, (3) Skilled – Rs. 329.20	Factory is paying as per Zone (2) minimum wages, (Per Day) (1)Unskilled – Rs. 304.20, (2) Semi Skilled – Rs. 312.20 (3) Skilled – 320.20	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: 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: Rs. 87.8 per month	No overtime hence NA.	<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	
If No , why not?	NA	
B: 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>	10 workers record February 2019, August 2018 & April 2018.	
C: 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: Factory is paying Zone 2 minimum wages while factory comes under Zone 1. (Per Day) (1)Unskilled – Rs. 304.20, (2) Semi Skilled – Rs. 312.20 (3) Skilled – 320.20
D: If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	If No , please give details: Factory is paying Zone 2 minimum wages while factory comes under Zone 1. (Per Day) (1)Unskilled – Rs. 304.20, (2) Semi Skilled – Rs. 312.20 (3) Skilled – 320.20
E: For the lowest paid production workers, are wages paid for standard/contracted hours	<input checked="" type="checkbox"/> Below legal min <input type="checkbox"/> Meet	Lowest actual wages found: <i>Note: full time employees and please state hour / week / month etc.</i> Factory is paying Zone 2 minimum wages while factory comes under Zone 1.

(excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Above	(Per Day) (1) Unskilled – Rs. 304.20, (2) Semi Skilled – Rs. 312.20 (3) Skilled – 320.20	
F: Please indicate the breakdown of workforce per earnings:	__90__% of workforce earning under min wage __0__% of workforce earning min wage __10__% of workforce earning above min wage		
F: Bonus scheme found: Please specify details:	Bonus Scheme found: <i>Note: full time employees and please state hour / week / month etc. Bonus was paid 8.33 % at the time of Deepawali.</i>		
H: What deductions are required by law e.g. social insurance? Please state all types:	1. ESI – 1.75 % 2. EPF – 12 % 3. Professional Tax – Rs. 150/- & Rs. 80/-		
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	Please list all deductions that have been made.	1. ESI – 1.75 % 2. EPF – 12 % 3. Professional tax - Rs. 150/- & Rs. 80/- Please describe:
		Please list all deductions that have not been made.	1. 2. Please describe: During the wages verification it was confirmed that factory comes under Zone I as per Labour & Employment Department Gujarat while factory is paying to all workers as per Zone II minimum wages, decided by State Government, hence ESI & EPF calculation is not matching
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 checked="" type="checkbox"/> Yes <input type="checkbox"/> Poor record keeping <input type="checkbox"/> No <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence: During the wages verification it was confirmed that factory comes under Zone I as per Labour & Employment Department Gujarat while factory is paying to all workers as per Zone II minimum wages, decided by State Government. During the wages verification it was confirmed that factory comes under Zone I as per Labour & Employment Department Gujarat while factory is paying to all workers as per Zone II minimum wages, decided by State Government, hence ESI & EPF calculation is not matching		

<p>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)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: As per records and interaction with workers it is confirmed that workers stay in the factory as per their Job timing i.e 09:30 AM to 06:00 PM.</p>
<p>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></p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please specify amount/time: There is no concept of living wage hence NA.</p>
<p>If yes, what was the calculation method used.</p>	<p><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 type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation Other – please give details: There is no concept of living wage hence NA.</p>
<p>N: Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: After every six months minimum wages are revised as per revised govt notification & the same is followed by the factory.</p>
<p>O: Are workers paid in a timely manner in line with local law?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Workers are getting their salary before 05th of every month and by bank transfer.</p>
<p>P: Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:</p>
<p>Q: How are workers paid:</p>	<p><input type="checkbox"/> Cash <input type="checkbox"/> Cheque <input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other If other, please explain:</p>

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:

- Factory has maintained Working hours policy & same has been confirmed during the factory tour & employees interview.
- Interaction with management staff and employees confirmed workers working within in the time limit.
- 1 day weekly off is provided after every 6 days of working.

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

Details:

- Every Sunday is a holiday for all the workers.
- Workers interviews confirmed that overtime is voluntary.

Any other comments: None.

Non-compliance:

1. Description of non-compliance:

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

None

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

NONE

Observation:

Description of observation: NONE

Local law or ETI requirement:

Comments:

Objective evidence observed:

NONE

Good Examples observed:

Description of Good Example (GE):
NONE

Objective Evidence Observed:

NONE

Working hours' analysis Please include time e.g. hour/week/month (Go back to Key information)		
Systems & Processes		
A. What timekeeping systems are used: time card etc.	Describe: Manual	
B: Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details	
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. Please give details:	
D: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" 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: NA	
E. Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please detail hours, %, types of workers affected and frequency Please give details: NA	
F: Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	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
	Maximum number of days worked without a day off (in sample):	
	06	
Standard/Contracted Hours worked		

<p>G: Were standard working hours over 48 hours per week found?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>If yes, % of workers & frequency:</p> <p>No Overtime was found during time records verification and interaction with workers.</p>
<p>H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<p>If yes, please give details:</p> <p>No Overtime was found during time records verification and interaction with workers.</p>
<p>Overtime Hours worked</p>		
<p>I: Actual overtime hours worked in sample (State per day/week/month)</p>	<p>Highest OT hours: 0</p>	<p>No Overtime was found during time records verification and interaction with workers</p>
<p>J: Combined hours (standard or contracted + overtime hours = total) over 60 found? Please give details:</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <p>No Overtime was found during time records verification and interaction with workers, hence NA.</p>	
<p>K: Approximate percentage of total workers on highest overtime hours:</p>	<p>_____%</p> <p>No Overtime was found during time records verification and interaction with workers, hence NA.</p>	
<p>L: Is overtime voluntary?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	<p>Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements:</p> <p>No Overtime was found during time records verification and interaction with workers, hence NA.</p>
<p>Overtime Premiums</p>		
<p>M: Are the correct legal overtime premiums paid?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	<p>Please give details of normal day overtime premium as a % of standard wages:</p> <p>No Overtime was found during time records verification and interaction with workers, hence NA.</p>
<p>N: Is overtime paid at a premium?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>If yes, please describe % of workers & frequency:</p> <p>No Overtime was found during time records verification and interaction with workers, hence NA.</p>

<p>O: If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.</p>	<p> <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 </p> <p>Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other</p> <p><i>No Overtime was found during time records verification and interaction with workers, hence NA</i></p>
<p>P: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant.</p>	<p> <input 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) </p> <p>Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other:</p> <p><i>No Overtime was found during time records verification and interaction with workers, hence NA.</i></p>
<p>Q: Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<p> <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please give details: <i>No Overtime was found during time records verification and interaction with workers, hence NA.</i> </p>
<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 type="checkbox"/> Yes <input type="checkbox"/> No <i>No Overtime was found during time records verification and interaction with workers, hence NA.</i> </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:

- No discrimination policy
- Sampled employee's personal files & employee interview confirmed that all work in friendly atmosphere there & there is no discrimination of any type.

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

Details:

- No evidence of discrimination was found during record verification for employment, training or promotion.
- Workers interviews confirmed that they receive equal pay for equal work. All work in friendly atmosphere there & there is no discrimination of any type.

Any other comments: None.

A: Gender breakdown of Management + Supervisors (Include as one combined group)	Male: <u>55</u> % Female <u>45</u> %
B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst:	#: 0
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 – NA

Professional Development

A: What type of training and development are available for workers?	<ol style="list-style-type: none"> 1. First Aid – 10 Persons (By Dr. Nikhil Patel on 08.02.2019) 2. ETI Base Code Training – 10.01.2019 (52 Persons) 3. Use of PPE – 01 .01.2019 (81 Persons) 4. Fire Fighting – 23.11.2018 (Internal) 56 Persons
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B: Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please 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 Local law and/or ETI requirement: Recommended corrective action:	Objective evidence observed: NONE

Observation:	
Description of observation: NONE Local law or ETI requirement: Comments:	Objective evidence observed: NONE

Good Examples observed:	
Description of Good Example (GE): NONE	Objective Evidence Observed: NONE

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:

- As confirmed by the workers during their interview, all the workers are working on regular basis.
- As confirmed by the workers during their interview, all the mandatory benefits like Provident Fund, Employees State Insurance, Bonus and Leaves with wages, etc are being provided to them.
- As confirmed by the workers during their interview, all the workers are provided with written and understandable information about their employment conditions in respect of wages before they enter employment.

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

- Employment order
- Time records

Social security benefits records

Any other comments: Security guard's employment contract terms & agreement letter was not found for review.

Non-compliance:	
<p>1. 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: Security guard's employment contract terms & agreement letter was not found for review. Local law and/or ETI requirement: As Per ETI Code of conduct 8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers. As per the schedule 1B and Form V of The Industrial Employment (Standing Orders) Central Rules 1946- (i) Every industrial establishment shall maintain a service card in respect of each workman in the form appended to these orders wherein particulars of that workman shall be recorded with the knowledge of that workman and dully attested by an officer authorized behalf together with date. Recommended corrective action: Factory shall ensure the availability of employment contract terms & agreement letter of all workers.</p>	<p>Objective evidence observed: NONE</p>

Observation:	
<p>Description of observation: NONE</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed: NONE</p>

Good Examples observed:	
<p>Description of Good Example (GE): NONE</p>	<p>Objective Evidence Observed: NONE</p>

Responsible Recruitment

All Workers	
<p>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?</p>	<p><input checked="" type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Understood by workers <input checked="" type="checkbox"/> Same as actual conditions</p> <p>If any are unchecked, please describe finding and specific category(ies) of workers affected:</p>

<p>B: Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please describe details and specific category(ies) of workers affected:</p>
<p>C: If yes, check all that apply:</p>	<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 – please give details</p>
<p>D: If any checked, give details:</p>	<p>NA</p>

<p align="center">Migrant Workers:</p>		
<p align="center"><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>		
<p>A: Type of work undertaken by migrant workers:</p>	<p>No migrant worker was found during audit process, hence NA.</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 - No migrant worker was found during audit process, hence NA.</p>	
<p>C: Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No Please describe finding:</p>	<p>Observations No migrant worker was found during audit process, hence NA.</p>
<p>D: Are any migrant workers in skilled, technical, or management roles</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No If yes number and example of roles: No migrant worker was found during audit process, hence NA.</p>	

<p><i>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</i></p>	
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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 – please give details
C: If any checked, give details:	No migrant worker was found during audit process, hence NA.

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):	Names if available: Factory is using one agency for security purpose name Krishna Security & Detective Service From 01 st January 2019.
B: Were agency workers' age / pay / hours included within the 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 checked="" type="checkbox"/> No Security guard's employment contract terms & agreement letter was not found for review.

<p>D: Is there a legal contract / agreement with all agencies?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Legal Agreement Date – 01.01.2019 Stamp Paper No. – BP49161 (Rs. 100/-)</p>
<p>E: Does the site have a system for checking labour standards of agencies? If yes, please give details.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Agency has started its working with the site on 01st January 2019 onwards and management confirm that they are monitoring time record and payment of agency workers in prescribed manner.</p>

<p>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></p>	
<p>A: Any contractors on site?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, how many contractors are present, please give details:</p>
<p>B: If Yes, how many workers supplied by contractors?</p>	<p>No contractor was found during audit process, hence NA.</p>
<p>C: Do all contractor workers understand their terms of employment?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please describe finding: No contractor was found during audit process, hence NA.</p>
<p>D: If Yes, please give evidence for contractor workers being paid per law:</p>	<p>No contractor was found during audit process, hence NA.</p>

8A: Sub-Contracting and Homeworking:

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: *Material movement record*

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

- Records of material movements, transportation and process flowchart were verified to ensure that disclosed sub contracting was being done in the factory.

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

Process Subcontracted	Printing	Printing
Name of factory	Pradip Overseas Ltd	Raghuvir Synthetic Ltd
Address	Narol (Mr. Rajat Bhai)	Rakhia (Mr. Soni)

Details: None

Non-compliance:

<p>1. Description of non-compliance:</p> <p><input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p><input type="checkbox"/> NC against customer code:</p> <p>None</p> <p>Local law and/or ETI /Additional Elements requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed:</p> <p>None</p>
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Observation:	
<p>Description of observation: NONE</p> <p>Local law or ETI/Additional elements requirement:</p> <p>Comments:</p>	<p>Objective evidence observed: None</p>

Good Examples observed:	
<p>Description of Good Example (GE): NONE</p>	<p>Objective Evidence Observed: NONE</p>

Summary of sub-contracting – if applicable <input type="checkbox"/> Not Applicable please x	
<p>A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work or undeclared sub-contracting</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Pradip Overseas Ltd – 21.02.2019 23495 mt fabric given and on 08.03.2019 Site received 23605 mt fabric after printing. Raghuvir Synthetics Ltd. – On 22.02.2019 18236 mt were given for printing and on 11.03.2019 site received 18741 mt of this order after printing work.</p>
<p>B: If sub-contractors are used, is there evidence this has been agreed with the main client?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, summarise details: There is no specific client, this audit was called by factory, Hence NA.</p>
<p>C: Number of sub-contractors/agents used:</p>	<p>Total 02 subcontractors. 1. Raghuvir Synthetics Ltd. 2. Pradip Overseas Ltd</p>
<p>D: Is there a site policy on sub-contracting?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, summarise details: Policy has been effective from 01.01.2017</p>
<p>E: What checks are in place to ensure no child labour is being used and work is safe?</p>	<p>Factory is doing regular assessment of its subcontractors.</p>

Summary of homeworking – if applicable <input checked="" 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: No Home working used, hence NA		
B: Number of homeworkers	Male:	Female:	Total: No Home working used, hence NA
C: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		If through agents, number of agents:
			No Home working used, hence NA
D: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No No Home working used, hence NA		
E: How does the site ensure worker hours and pay meet local laws for homeworkers?	No Home working used, hence NA		
F: What processes are carried out by homeworkers?	No Home working used, hence NA		
G: Do any contracts exist for homeworkers?	<input type="checkbox"/> Yes <input type="checkbox"/> No Please give details: No Home working used, hence NA		
H: Are full records of homeworkers available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No No Home working used, hence NA		

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 give details: Factory is following approved Standing Order and if any case will occur disciplinary actions will take as per obtained approved standing order further disciplinary policy is also there.</p>
<p>B: If Yes, are workers aware of these channels and have access? Please give details.</p>	<p>Yes workers were aware about grievance committee and suggestion / complaint box.</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>Internal Complain Committee, Grievance Committee & Suggestion/complaint box</p>
<p>D: Which of the following groups 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 Please give Details:</p>
<p>E: Are there any open disputes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please give details</p>
<p>F: Does the site encourage its business partners (e.g., suppliers) to 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 :</p>
<p>G: Is there a published and transparent disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please explain</p>

<p>H: If yes, are workers aware of these the disciplinary procedure?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please give details</p>
<p>I: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please give details</p>

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:

- No evidence found for harsh or inhumane treatment in the factory.
- Workers interviews confirmed that they are treated well in the factory and there is no harsh & inhumane treatment in the factory.

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

- Anti-Sexual harassment policy.
- Grievance Committee
- Suggestion/Complaint Box

Any other comments: External member was found not the member of Internal Complain Committee as per requirement of & The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act.

Non-compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law <input type="checkbox"/> NC against customer code: External member was found not the member of Internal Complain Committee as per requirement of & The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act. Local law and/or ETI requirement: As Per THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 - CHAPTER II CONSTITUTION OF INTERNAL COMPLAINTS COMMITTEE - (1) Every employer of a workplace shall, by an order in writing, constitute a Committee to be known as the "Internal Complaints Committee": 6 Provided that where the offices or administrative units of the workplace are located at different places or divisional or sub-divisional level, the Internal Committee shall be constituted at all administrative units or offices.</p>	<p>Objective evidence observed: During Document Review & Management Interaction</p>
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<p>(2) The Internal Committees shall consist of the following members to be nominated by the employer, namely: — (a) a Presiding Officer who shall be a woman employed at a senior level at workplace from amongst the employees: Provided that in case a senior level woman employee is not available, the Presiding Officer shall be nominated from other offices or administrative units of the workplace referred to in sub-section(1): Provided further that in case the other offices or administrative units of the workplace do not have a senior level woman employee, the Presiding Officer shall be nominated from any other workplace of the same employer or other department or organisation; (b) not less than two Members from amongst employees preferably committed to the cause of women or who have had experience in social work or have legal knowledge; (c) one member from amongst non-governmental organisations or associations committed to the cause of women or a person familiar with the issues relating to sexual harassment.</p> <p>Recommended corrective action: Factory shall maintain the Internal complain committee in prescribed manner.</p>	
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Observation:	
<p>Description of observation: NONE</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed: NONE</p>

Good Examples observed:	
<p>Description of Good Example (GE): NONE</p>	<p>Objective Evidence Observed: NONE</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:

- Recruitment policy.

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

Details:

- All workers working in the factory found to be Indian Nationals and they have rights to work anywhere in India. Same was confirmed in management and workers interviews.

Any other comments: None

Non-compliance:

1. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local Law
 NC against customer code:

None

Local law and/or ETI /Additional Elements requirement:

Recommended corrective action:

Objective evidence observed:

None

Observation:

<p>Description of observation: None</p> <p>Local law or ETI/Additional Elements requirement:</p> <p>Comments:</p>	<p>Objective evidence observed: None</p>
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<p>Good examples observed:</p>	
<p>Description of Good Example (GE): None</p>	<p>Objective Evidence Observed: None</p>

10. Other issue areas 10B4: Environment 4–Pillar

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

To be completed for a 4–Pillar SMETA Audit and remove the previous page which is 10B2 environment 2 pillar

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.

Note for auditors and readers. This environment section is intended to take not more than 0.25 auditor days. It is an assessment only and the main requirement is to establish whether a site is meeting applicable environmental laws and/or has any certifications or environmental management systems in place. Following this assessment the client/supplier may decide a full environmental audit is required (see also best practice guidance/environment and guidance for auditor)

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:

Training

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

Details: Factory has applied for pollution consent on 20th April 2017 and not received on till date. Application No. – 398116.

Any other comments: Approved Pollution consent was not found however factory has applied on 20.04.2017 (Application ID – 398116).

Non-compliance:	
<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI/Additional Elements <input checked="" type="checkbox"/> NC against Local <input type="checkbox"/> NC against customer code:</p> <p>Approved Pollution consent was not found however factory has applied on 20.04.2017 (Application ID – 398116).</p> <p>Local law and/or ETI/Additional Elements requirement: As Per Gujarat Pollution Control Board office order No: GPCB/P-1/12/352040 (Date – 12.04.2016) - The Gujarat Pollution Control Board has published a list of categories of cottage and small-scale industries having no pollution potential vide reference (2) above. Such industries are exempted from obtaining Consent to Establish from GPCB. Now that the CPCB has published "Final document on Revised Classification of Industrial Sectors under Red, Orange, Green and White Category" on 29.2.2016 classifying various industries into Red, Orange, Green and White Categories. According to this classification, the White category of industries do not require Consent to Establish and Consent to Operate permits from respective SPCBs. The CPCB vide its letter no: B-29012/ESS(CpA)/2015-16/8570 dated 07.03.2016 also issued necessary directions under Section 18 (i) (b) of the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act 1981 regarding harmonisation of classification of industrial sectors under the Red, Orange, Green and White categories. This matter was further discussed in Boards 210'h meeting held on dt 10.3.2016 and the Board has adopted the above classification and decided to exempt the White category of industries mentioned in the above mentioned documents of the CPCB from the requirement of Consent to Establish and Consent to Operate from the GpCI3. Further the GPCB has also decided to add a few more industrial activities under White Category where there is absolutely no pollution potential and also decided that such industries would not need Consent to Establish and Consent to Operate from the GPCB henceforth.</p> <p>According to Section 21(1) of The Air (Prevention and Control of Pollution) Act, 1981, No person shall without the previous consent of the state board, establish or operate any Industrial plant in an air pollution control area.</p> <p>According to Section 25 of Water (Prevention & Control of Pollution) Act, 1974, No person shall without the previous consent of the state board a) establish or take any step to establish an industry, operation or process, or any treatment or disposal system or any extension or addition thereto, which is likely to discharge sewage or trade effluent into a stream or well or sewer or on land or b) bring into use any new or altered outlet for the discharge of sewage or c) begin to make any discharge of sewage.</p> <p>Recommended corrective action: Factory shall obtain pollution consent from concerned department.</p>	<p>Objective evidence observed: During Document Review & management Interaction</p>

Observation:	
<p>Description of observation: NONE</p> <p>Local law or ETI/Additional elements requirements:</p> <p>Comments:</p>	<p>Objective evidence observed: NONE</p>

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Good examples observed:	
Description of Good Example (GE): NONE	Objective Evidence Observed: NONE

Environmental Analysis <i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>	
A: Is there a manager responsible for Environmental issues (Name and Position):	Mr. Mitesh J Thakkar – Compliance Officer
B: Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: 01.12.2018
C: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please detail.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
D: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, is it publicly available? YES
E: If yes, does it address the key impacts from their operations and their commitment to improvement?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
F: Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
G: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please detail. <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No Please give details: NA
H: Have all legally required permits been shown? Please detail.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Approved Pollution consent was not found however factory has applied on 20.04.2017 (Application ID – 398116).
I: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A Please give details: Thinner only if require
J: Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	<input type="checkbox"/> Yes <input type="checkbox"/> No Please give details: NA
K: Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

L: Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No ReUSE Please give details: Fabric waste given to local vendor	
M: Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Electricity	
N: Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Printing "Raghuvir Synthetics" "Savya Impax"	
Usage/Discharge analysis		
Criteria	Previous year: Please state period: _____	Current Year: Please state period: _____
Electricity Usage: <i>Kw/hrs</i>	87089 (Average 7257 Units) units	January 2019 & February 2019 – 10802 Units
Renewable Energy Usage: <i>Kw/hrs</i>	NA	
Gas Usage: <i>Kw/hrs</i>	NA	
Has site completed any carbon Footprint Analysis?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If Yes , please state result	NA	
Water Sources: <i>Please list all sources e.g. lake, river, and local water authority.</i>	<ul style="list-style-type: none"> provided by the municipal authority of Ahmedabad 	<ul style="list-style-type: none"> Not maintained by the factory
Water Volume Used: <i>(m³)</i>	Period Jan 18 to Dec 18 – Total 86.7 KL (Average – 7.2 KL)	NA
Water Discharged: <i>Please list all receiving waters/recipients.</i>	<ul style="list-style-type: none"> Domestic, No such process only sewage water hence NA 	<ul style="list-style-type: none"> Domestic, No such process only sewage water hence NA
Water Volume Discharged: <i>(m³)</i>	<ul style="list-style-type: none"> Domestic, 	<ul style="list-style-type: none"> Domestic,

	<ul style="list-style-type: none"> No such process only sewage water hence NA 	<ul style="list-style-type: none"> No such process only sewage water hence NA
Water Volume Recycled: (m ³)	No such process hence NA	
Total waste Produced (please state units)	Cotton waste only given to local vendor	Cotton waste only give to local vendor – February 23 rd 2019 (488 KG)
Total hazardous waste Produced: (please state units)	No such process hence NA	No such process hence NA
Waste to Recycling: (please state units)	Factory is using its cotton waste to make pot holders.	Factory is using its cotton waste to make pot holders.
Waste to Landfill: (please state units)	No such waste hence NA.	No such waste hence NA.
Waste to other: (please give details and state units)	No such waste however factory has done an agreement with authorized dealer	
Total Product Produced (please state units)	Jan 18 to dec 18 – 8803000 Pcs (total)	

10C: Business Ethics – 4-Pillar Audit

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

To be completed for a 4-Pillar SMETA Audit

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

Note for auditors and readers. This Business Ethics section is intended to take not more than 0.25 auditor days. It is an assessment not an audit.

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:

Policy

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

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

Any other comments:

1. Training on Business Ethics to relevant workers was found not given.
2. Factory has not established transparent system for confidentially reporting and dealing with unethical business.

Description of Good Example (GE): NONE	Objective Evidence Observed: NONE
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A: Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?	<input checked="" type="checkbox"/> Internal Policy <input type="checkbox"/> Policy for third parties including suppliers Please give details:
B: Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Training not given
C: Is the policy updated on a regular (as needed) basis?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: yearly
D: Does the site require third parties including suppliers to complete their own business ethics training	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Yes it is require for factory but factory has not given.

Other Findings Outside the Scope of the Code
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NONE

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

Appendix 1

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."

Not Applicable please x

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.

Instruction to Audit Company: fill in the relevant clauses from the Customer Supplier Code - where applicable.

ETI Code / Additional Elements

Customer's Supplier Code equivalent

0.A. Universal Rights covering UNGP

0.A. Universal Rights covering UNGP

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.

0.B. Management Systems & Code Implementation

0.B. Management Systems & Code Implementation

0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.

<p>0.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.</p> <p>0.3 Suppliers are expected to communicate this Code to all employees.</p> <p>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.</p> <p>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.</p> <p>2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.</p> <p>2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.</p> <p>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.</p> <p>3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.</p> <p>3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.</p>	

<p>3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.</p> <p>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.</p> <p>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.</p> <p>4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.</p>	

<p>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.</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</p>	

<p>provide regular employment, nor shall any such 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





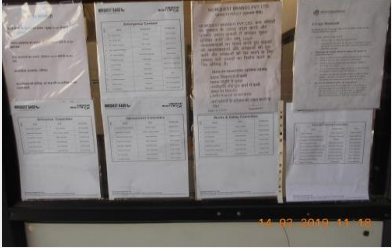







10C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.









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>Factory Main Gate</p>	<p>Factory Name</p>	<p>Security</p>
		
<p>Assembly Point</p>	<p>ETI Base Code in Local Language</p>	<p>Social Policies</p>
		
<p>Dining Place</p>	<p>Drinking Water Point</p>	<p>Store Purpose</p>
		
<p>Marked Pathways</p>	<p>Working Emergency Light</p>	<p>Fire Alarm Call Point</p>

		
<p>Production Floor</p>	<p>First Aid Box</p>	<p>Ironing Tables</p>
		
<p>Wash room Genderwise</p>	<p>Fire Hooter</p>	<p>Fire Hooter</p>
		
<p>Sand buckets</p>	<p>Suggestion Box</p>	

Non – Conformities

		
<p>Waste Segregation</p>	<p>Ladder without Handrail</p>	<p>Mismanaged Third Floor</p>
		
<p>Lift Not Registered</p>		



For more information visit: [Sedexglobal.com](https://www.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=d3vYsCe48fre69DRgLY_2brg_3d_3d

[Click here for Auditors:](#)

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



SMETA Corrective Action Plan Report (CAPR)

Version 6.0



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 1070289	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 1045699
Business name (Company name):	Norquest Brands Pvt Ltd		
Site name:	Norquest Brands Pvt Ltd		
Site address: <i>(Please include full address)</i>	A-1 to 4, Mohan Estate, Khokhra, Maninagar, Ahmedabad, 380008	Country:	INDIA
Site contact and job title:	Mr. Mitesh J Thakkar – Compliance Officer		
Site phone:	91-9377457272	Site e-mail:	Mitesh@norquestbrands.com
SMETA Audit Type Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety	<input checked="" type="checkbox"/> Environment <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	14.03.2019 & 15.03.2019 Desktop review date: 23.04.2019 Desktop review date: 09.08.2019		

Audit Company Name & Logo: SGS INDIA Pvt Ltd.	Report Owner (payee): <i>(If paid for by the customer of the site please remove for Sedex upload)</i> Norquest Brands Pvt Ltd.
--	--

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): NA

Auditor Team (s) (please list all including all

interviewers): Sudhakar Shukla

Lead auditor: Sudhakar Shukla

Team auditor: NA

Interviewers: Sudhakar Shukla

Report writer: Sudhakar Shukla

Report reviewer: Sabina Pinto

Desktop reviewer: S. Bindushree

Audit Company Report Reference: 9010454

Date of declaration: 22.03.2019

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: 09:45 AM Day 1 Time out: 06:00 PM	Day 2 Time in: 09:38 AM Day 2 Time out: 02:00 PM	Day 3 Time in: NA Day 3 Time out: NA
B: Number of auditor days used:	1.5 Mandays (01 Auditor)		
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 type="checkbox"/> Partial Other 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 type="checkbox"/> Yes <input checked="" type="checkbox"/> No If No, why not – Facility was not aware.		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause – NA		
G: Who signed and agreed CAPR (Name and job title)	Mr. Mitesh J Thakkar – Compliance Officer		
H: Is further information available (if yes, please contact audit company for details)	<input type="checkbox"/> Yes <input type="checkbox"/> No		
I: Previous audit date:	27 & 28 th April 2018		
J: Previous audit type:	Announced		
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 checked="" type="checkbox"/> Yes <input 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>	They were busy in the lunch.		
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	No Union		

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 Systems -01		Minimum Wages Act, Factories Act & The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act abstracts were not found displayed.	<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 display all legal acts in prescribed manner.	30 Days	Desktop	Agreed Mr. Mitesh J Thakkar – Compliance Officer	The facility has displayed the abstract of minimum wages act and the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act in the notice board	Closed
Health & Safety -01		Security guard was found not trained on firefighting.	<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 train all relevant workers on all basic health & safety training.	30 Days	Desktop	Agreed Mr. Mitesh J Thakkar – Compliance Officer	The facility has provided training to the security guard on fire fighting	Closed
Health & Safety -02		Ladder was found without handrails in periphery.	<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 provide ladder with handrails.	30 Days	Desktop	Agreed Mr. Mitesh J Thakkar – Compliance Officer	The facility has provided ladder with the handrails	Closed

Health & Safety -03		Wastes were found not segregated in periphery.	<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 segregate wastes as per prescribed manner.	30 Days	Desktop	Agreed Mr. Mitesh J Thakkar – Compliance Officer	The facility has segregated wastes as per the prescribed manner	Closed
Health & Safety -04		Third floor storage area was found mismanaged and without firefighting equipment.	<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 maintain the premise in safe and clean manner further firefighting equipment make available in all sections/area.	30 Days	Desktop	Agreed Mr. Mitesh J Thakkar – Compliance Officer	The facility has provided photo evidence of the premises maintained in safe and clean manner and further firefighting equipment is provided in the required area	Closed
Health & Safety -05		In Approved building layout plan, second floor (ironing & inspection section) was found not mention, In addition cutting process was found mention in first floor in approved layout while it is occurring in ground floor.	<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 update its building layout from concerned government department as per current structure.	90 Days	Desktop	Agreed Mr. Mitesh J Thakkar – Compliance Officer	The facility has provided amended layout plan inclusive of all mentioned sections	Closed
Health & Safety -06		Goods lift (capacity – 01 MT) registration (installation) was found not done by the factory.	<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 done registration of its lift as prescribed by law.	60 Days	Desktop	Agreed Mr. Mitesh J Thakkar – Compliance Officer	The facility has obtained registration certificate for goods lift from the concerned authority	Closed
Wages and Benefits -01		During the wages verification it was confirmed that factory comes under Zone I as per Labour & Employment	<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 that all workers will pay as per prescribed by law.	90 Days	Follow Up	Agreed Mr. Mitesh J Thakkar – Compliance Officer	This will be verified in follow-up audit	Open

		Department Gujarat while factory is paying to all workers as per Zone II minimum wages, decided by State Government.							
Wages and Benefits -02		During the wages verification it was confirmed that factory comes under Zone I as per Labour & Employment Department Gujarat while factory is paying to all workers as per Zone II minimum wages, decided by State Government, hence ESI & EPF calculation is not matching.	<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 that workers salary and social benefit calculation be in prescribed manner.	90 Days	Follow Up	Agreed Mr. Mitesh J Thakkar – Compliance Officer	This will be verified in follow-up audit	Open
Regular Employment - 01		Security guard's employment contract terms & agreement letter was not found for review.	<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 the availability of employment contract terms & agreement letter of all workers.	30 Days	Desktop	Agreed Mr. Mitesh J Thakkar – Compliance Officer	The facility has provided the appointment letter with the terms and conditions	Closed
Harsh & Inhumane Treatment -01		External member was found not the member of Internal Complain Committee as per requirement of & The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act.	<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 maintain the Internal complain committee in prescribed manner.	30 Days	Desktop	Agreed Mr. Mitesh J Thakkar – Compliance Officer	The facility has appointed external member for Internal Complain committee	Closed
Environment – 04 Pillar		Approved Pollution consent was not found	<input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems	Factory shall obtain pollution consent	90 Days	Desktop	Agreed Mr. Mitesh J Thakkar	The facility has provided the exception letter	Closed

		however factory has applied on 20.04.2017 (Application ID – 398116).	<input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:	from concerned department.			– Compliance Officer	released from concerned department stating the factories which comes under white category does not require to obtain consent	
Business Ethics 04 Pillar -01		Training on Business Ethics to relevant workers was found not given.	<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 that training on business ethics given to all relevant workers.	30 Days	Desktop	Agreed Mr. Mitesh J Thakkar – Compliance Officer	The facility has provided training to employees on business ethics	Closed
Business Ethics 04 Pillar -02		Factory has not established transparent system for confidentially reporting and dealing with unethical business.	<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 establish a transparent system for confidentially reporting and dealing with unethical business ethics without fear of reprisals towards the reporter.	30 Days	Desktop	Agreed Mr. Mitesh J Thakkar – Compliance Officer	The facility has provided training to employees on confidentially reporting and dealing with unethical business	Closed

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>
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0.1		Factory does not have a policy regarding universal rights.	Lack of awareness of the code requirements.	It is recommended to the factory to create and implement a policy regarding universal rights.
0.2		Factory has not appointed a person responsible for implementing standard concerning universal rights.	Lack of awareness of the code requirements.	It is recommended to the factory to appoint a person responsible for implementing standards concerning universal rights.
0.3		Factory has not communicated universal right policy to their relevant stakeholders.	Lack of awareness of the code requirements.	It is recommended to factory to create and communicate the universal right policy to all their stakeholders.

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
01	Factory is maintaining rain water harvesting system to utilize the rain water.	During Round (Photographic Evidence)
02	Factory is arranging 2-3 days outside trip for all workers as welfare and all expenses taken care of by the company management.	During Document verification and workers interaction

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. Mitesh J Thakkar	Title – Compliance Officer Date – 14.03.2019 & 15.03.2019
B: Auditor Signature:	Sudhakar Shukla	Title - Auditor Date - 14.03.2019 & 15.03.2019
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:		
E: Signed: (If <u>any</u> entry in box D, please complete a signature on this line)		Title Date
F: Any other site Comments:		

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

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