




# Sedex Members Ethical Trade Audit Report

Version 6.0



| Audit Details   |   |  |   |
|---|---|--|---|
| Sedex Company Reference:<br><i>(only available on Sedex System)</i> | ZC: <b>ZC4330714</b>  | Sedex Site Reference:<br><i>(only available on Sedex System)</i> | ZS: <b>ZS4453042</b>  |
| Business name<br>(Company name):                                    | Khadim India Ltd  |  |   |
| Site name:  | Khadim India Ltd  |  |   |
| Site address:<br><i>(Please include full address)</i>               | Plot No. P-31 & S-26,<br>Kasba Industrial Estate, Phase-III,<br>P.O- Kasba, Kolkata – 700107, West Bengal | Country:   | India   |
| Site contact and job title:   | Mr. Rajeev Kumar Mishra/ General Manager - Production   |  |   |
| Site phone:   | +91 33- 4014 0501;<br>Fax - 91-33-4014 0500   | Site e-mail:   | rajeevkumar.mishra@khadims.com  |
| SMETA Audit Type:   | <input checked="" type="checkbox"/> Labour Standards  | <input checked="" type="checkbox"/> Health & Safety              | <input type="checkbox"/> Environment <input type="checkbox"/> Business Ethics |
| Date of Audit:  | 29/05/2018  |  |   |

|  |   |
|--|---|
| <b>Audit Company Name &amp; Logo:</b><br><br> | <b>Report Owner (payee):</b><br><br><b>Khadim India Ltd</b> |
|--|---|

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

## Audit Content:

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

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

### 2-Pillar SMETA Audit

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

### 4-Pillar SMETA

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

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

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

## SMETA Declaration

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

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

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

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

Lead auditor: Kushan Banerjee

Team auditor: Nil

Interviewers: Kushan Banerjee

Report writer: Kushan Banerjee

Report reviewer: Meeta Pednekar

Date of declaration: 29/05/2018

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

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

## Non-Compliance Table

| Issue<br><i>(please click on the issue title to go direct to the appropriate audit results by clause)</i><br><b>Note to auditor, please ensure that when issuing the audit report, hyperlinks are retained.</b> | Area of Non-Conformity<br><i>(Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)</i> |                                     |                          |                          | Record the number of issues by line*: |     |     | NC Findings Only<br><i>(note to auditor, summarise in as few words as possible NC's only)</i>  |
|---|--|-------------------------------------|--------------------------|--------------------------|---------------------------------------|-----|-----|--|
|   | ETI Base Code  | Local Law                           | Additional Elements      | Customer Code            | NC                                    | Obs | GE  |  |
| 0A <a href="#">Universal Rights covering UNGP</a>   |  |                                     | <input type="checkbox"/> | <input type="checkbox"/> |                                       | 3   | Nil | <ul style="list-style-type: none"> <li>None observed</li> </ul>  |
| 0B <a href="#">Management systems and code implementation</a>   | <input type="checkbox"/>   | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 02                                    | 1   | Nil | <p><i>Summary of Non-Compliance finding 1</i></p> <p>Based on the document review and management interaction it was noted that 01 out of 04 contractors -contractor (M/S Genius Consultants Ltd) license was expired on dated 31/12/2016. However, contractor was applied for the renewal on dated 07/02/2017 to labour department.</p> <p><i>Summary of Non-Compliance finding 2</i></p> <p>During document review and management interaction it was noted that facility approved layout plan was not available for review.</p> |
| 1. <a href="#">Freely chosen Employment</a>   | <input type="checkbox"/>   | <input type="checkbox"/>            |                          | <input type="checkbox"/> | Nil                                   | Nil | Nil | <ul style="list-style-type: none"> <li>None observed</li> </ul>  |

|   |                                       |                                     |                                     |                          |                          |     |     |     |  |
|---|---------------------------------------|-------------------------------------|-------------------------------------|--------------------------|--------------------------|-----|-----|-----|--|
| 2 | <u>Freedom of Association</u>         | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | <input type="checkbox"/> | Nil | Nil | Nil | <ul style="list-style-type: none"> <li>None observed</li> </ul>  |
| 3 | <u>Safety and Hygienic Conditions</u> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |                          | <input type="checkbox"/> | 02  | Nil | Nil | <p><i>Summary of Non-Compliance finding 1</i></p> <p>During document review and management interaction it was noted that 01 out of 02 exit path was partially blocked with water can in the first floor (stitching section) and with production material in second floor (cutting section) of the facility.</p> <p><i>Summary of Non-Compliance finding 2</i></p> <p>During facility tour it was noted that 01 out of 02 exit door was opening in inward direction (not opening in direction of travel- outward) in the stitching section (first floor).</p> <p><i>Summary of Non-Compliance finding 3</i></p> <p>During document review and management interaction it was noted that Diesel Generator (275 KVA) annual inspection from electrical department was expired on dated 26/08/2016.</p> |
| 4 | <u>Child Labour</u>                   | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | <input type="checkbox"/> | Nil | Nil | Nil | <ul style="list-style-type: none"> <li>None observed</li> </ul>  |
| 5 | <u>Living Wages and Benefits</u>      | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | <input type="checkbox"/> | Nil | Nil | Nil | <ul style="list-style-type: none"> <li>None observed</li> </ul>  |
| 6 | <u>Working Hours</u>                  | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | <input type="checkbox"/> | Nil | Nil |     | <ul style="list-style-type: none"> <li>None observed</li> </ul>  |
| 7 | <u>Discrimination</u>                 | <input type="checkbox"/>            | <input type="checkbox"/>            |                          | <input type="checkbox"/> | Nil | Nil | Nil | <ul style="list-style-type: none"> <li>None observed</li> </ul>  |
| 8 | <u>Regular Employment</u>             | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/> | <input type="checkbox"/> | Nil | Nil | Nil | <ul style="list-style-type: none"> <li>None observed</li> </ul>  |

|      |  |                          |                                     |                                     |                          |     |     |     |   |
|------|--|--------------------------|-------------------------------------|-------------------------------------|--------------------------|-----|-----|-----|---|
| 8A   | <u>Sub-Contracting and Homeworking</u> |                          | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/> | Nil | Nil | Nil | <ul style="list-style-type: none"> <li>None observed</li> </ul>   |
| 9    | <u>Harsh or Inhumane Treatment</u>     | <input type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/> | Nil | Nil | Nil | <ul style="list-style-type: none"> <li>None observed</li> </ul>   |
| 10A  | <u>Entitlement to Work</u>             |                          | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/> | Nil | Nil | Nil | <ul style="list-style-type: none"> <li>None observed</li> </ul>   |
| 10B2 | Environment 2-Pillar                   |                          | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | 01  | Nil | Nil | <ul style="list-style-type: none"> <li><i>Summary of Non-Compliance finding 1</i><br/>During document review and management interaction it was noted that facility had not obtained hazardous waste storage permission from the concerned authority (West Bengal Pollution Control Board)<br/>It was noted that facility had applied for the permission on dated 06/02/2017.</li> </ul> |
| 10B4 | <u>Environment 4-Pillar</u>            |                          | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/> | NA  | NA  | NA  | <ul style="list-style-type: none"> <li>Not applicable</li> </ul>  |
| 10C  | <u>Business Ethics</u>                 |                          | <input type="checkbox"/>            | <input type="checkbox"/>            | <input type="checkbox"/> | NA  | NA  | NA  | <ul style="list-style-type: none"> <li>Not applicable</li> </ul>  |

General observations and summary of the site:

The audited facility "Khadim India Ltd" Was established in the 2001 at Plot No. P-31 & S-26, Kasba Industrial Estate, Phase-III, P.O- Kasba, Kolkata – 700107, West Bengal, India

In view of the facilities, the facility's operations are carried out in one masonry building with ground, first floor, second floor and third floor which was taken in lease from West Bengal Small Scale Industries.

This annual audit was conducted by Intertek India Private Limited. One (01) auditor in one (01) day - 01 Manday assessed / verified the facility's operations against the ETI Base Code and local legislations on a sampling basis.

**Site summary:**

1. The products manufactured at this site – leather & synthetic footwear
2. Overall responsibility for meeting the standards is taken by Mr. Rajeev Kumar Mishra/ General Manager - Production
3. A total of 98 employees (all male) are currently working in the facility, which includes 58 production employees (all male) and 40 non-production employees (all male). All employees were from company payroll.

4. The employee's works 6 days a week in one shift (at present) and the details are as follows:

Working Hours : 08.30 AM to 05.30 PM (production)  
                                      10.00 AM to 7.00 PM (Admin)  
Lunch break : 1.00 PM to 2.00 PM  
Weekly Holiday : Sunday.

5. Employee's wages are fixed on monthly basis, calculated and paid on monthly only. Employees are paid by monthly basis by bank transfer (100%) only on or before 7th of respective month.
6. The youngest worker on site was 25 years old.
7. There is no union at this factory.
8. Worker representative was busy in the production.
9. Facility does not have any peak seasons; production process was evenly distributed throughout the facility.
10. All workers said they were satisfied with their employment at the factory.
11. 10 Records to show wages and hours were taken for 3 months from the period May 2017 to April 2018.
12. 10 employees (all male) were selected for interview, they were interviewed as 1 group of 4 employees and balance 6 employees were interviewed individually.
13. Standard hours of site were on average of 47.45 hours/week in April 2018 (Current month); 47.20 hours/week in November 2017 (random month) and 46.30 hours/week in July 2017 (Random month). Further the facility had not engaged their employees for the overtime.
14. Based on the provided attendance records, the status of overtime hours in sample was as below.

0 hours/ day in April 2018 (current month)

0 hours/ day in November 2017 (random month)

0 hours/ day in July 2017 (random month)

0 hours/ week in April 2018 (current month)

0 hours/ week in November 2017 (random month)



0 hours/ week in July 2017 (random month)

0 hours/ month in April 2018 (current month)

0 hours/ month in November 2017 (random month)

0 hours/ month in July 2017 (random month)

15. Legal minimum wage was paid to all the workers; the legal minimum wage was INR 7661.00 per month. (From January 2018)

16. Facility had a system to pay 200% of normal rate of wages for overtime hours as required by law.

### Summary of Observations

1. Based on interaction with management and review of records, it was noted that facility does not have a policy, endorsed at the highest level, covering human rights impacts and issues. Hence it is not communicated to all appropriate parties, including its own suppliers.
2. Based on interaction with management and review of records, it was noted that facility does not identify their stakeholders and salient issues.
3. Based on interaction with management and review of records, it was noted that facility does identify direct, indirect, and potential impacts on stakeholder's human rights. Hence no remedial action in place.
4. Based on interaction with management, and review of records, it was noted that facility does not have a written policy and procedures specific to land rights.

### Summary of Non-conformances:

1. Based on the document review and management interaction it was noted that 01 out of 04 contractors -contractor (M/S Genius Consultants Ltd) license was expired on dated 31/12/2016. However, contractor was applied for the renewal on dated 07/02/2017 to labour department.
2. During document review and management interaction it was noted that facility approved layout plan was not available for review.
3. During document review and management interaction it was noted that 01 out of 02 exit path was partially blocked with water can in the first floor (stitching section) and with production material in second floor (cutting section) of the facility.
4. During facility tour it was noted that 01 out of 02 exit door was opening in inward direction (not opening in direction of travel- outward) in the stitching section (first floor).
5. During document review and management interaction it was noted that Diesel Generator (275 KVA) annual inspection from electrical department was expired on dated 26/08/2016.
6. During document review and management interaction it was noted that facility had not obtained hazardous waste storage permission from the concerned authority (West Bengal Pollution Control Board) It was noted that facility had applied for the permission on dated 06/02/2017.

**Positive observations:**

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

**GE**

None observed

**Additional Auditor Remark:**

None

*\*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:   | Khadim India Ltd  |                     |             |                |  |  |  |
| B: Site name:  | Khadim India Ltd  |                     |             |                |  |  |  |
| C: Applicable business and other legally required licence numbers and documents for example, business license no, liability insurance, any other required government inspections | <p>Factory License No: 15318, Registration No. – 19-TP (S)/X/2001, valid till 31/12/2018</p> <p>PAN (Permanent Account Number): AABCK3341A</p> <p>IEC (Import export code): 0205012019</p> <p>GST : 19AABCK3341A1Z2</p>   |                     |             |                |  |  |  |
| D: Products/Activities at site, for example, garment manufacture, electricals, toys, grower  | Manufacturer of leather & synthetic footwear  |                     |             |                |  |  |  |
| E: Site description:<br>(Include size, location, and age of site. Also, include structure and number of buildings)   | <p>Khadim India Ltd is situated at Plot No. P-31 &amp; S-26, Kasba Industrial Estate, Phase-III, P.O- Kasba, Kolkata – 700107, West Bengal, India.</p> <p>The total land area occupied was 8175 square feet and the build area is about 30834 square feet. Facility had operated in the existing location since 2001. In view of the facilities, the facility consists of one (01) building. The details are as follows:</p> <p>For below, please add any extra rows if appropriate. Visible</p> <table border="1"> <thead> <tr> <th>Production Building</th> <th>Description</th> <th>Remark, if any</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table> <p>structural integrity issues (large cracks) observed and without structural engineer evaluation</p> <p><input type="checkbox"/> Yes</p> <p><input checked="" type="checkbox"/> No</p> | Production Building | Description | Remark, if any |  |  |  |
| Production Building  | Description   | Remark, if any      |             |                |  |  |  |
|  |   |                     |             |                |  |  |  |

|  |   |   |  |
|--|---|---|--|
|  | Ground floor  | Moulding, mould repairing shop, Dispatch, Cutting (travelling head cutting) | Size – 8175 square feet<br>Construction year: 2001 |
|  | First floor   | Office, Product development, Stitching, Skiving                             | Size – 8175 square feet<br>Construction year: 2001 |
|  | Second floor  | Cutting; WIP stock  | Size – 8175 square feet<br>Construction year: 2001 |
|  | Third floor   | Assembly line , material store  | Size – 8175 square feet<br>Construction year: 2001 |
|  | Is this a shared building?  | No  | NA   |
| Details: Not applicable  |   |   |  |
| F: Site function:  | <input type="checkbox"/> Agent<br><input checked="" type="checkbox"/> Factory Processing/Manufacturer<br><input type="checkbox"/> Finished Product Supplier<br><input type="checkbox"/> Grower<br><input type="checkbox"/> Homeworker<br><input type="checkbox"/> Labour Provider<br><input type="checkbox"/> Pack House<br><input type="checkbox"/> Primary Producer<br><input type="checkbox"/> Service Provider<br><input type="checkbox"/> Sub-Contractor   |   |  |
| G: Month(s) of peak season: (if applicable)  | No peak season; Uniform throughout the year   |   |  |
| H: Process overview: (Include products being produced, main operations, number of production lines, main equipment used) | <p>The facility is carried out Manufacturing of leather &amp; synthetic footwear.</p> <p>The main production processes are listed as follows:</p> <p>Raw material receiving – Cutting – Checking components - Stitching – Embossing- Printing – Assembly - Finishing – Packing – Dispatch.</p> <p>Main equipment's/machineries used by facility are Counter mould, De-lasting, Cooling machine, Sole press, Lasting line, sole making, Toe lasting, Heel nailing, Roughing, Brushing, Grinding, Embossing, flat bed stitching, Cylinder bed, Cutting,</p> |   |  |
| I: What form of worker representation / union is there on site?  | <input type="checkbox"/> Union (name)<br><input checked="" type="checkbox"/> Worker Committee<br><input type="checkbox"/> Other<br><input type="checkbox"/> None  |   |  |

|  |   |
|--|---|
| <p>J: Is there any night production work at the site?</p>                                | <p><input type="checkbox"/> Yes<br/> <input checked="" type="checkbox"/> No</p>   |
| <p>K: Are there any on site provided worker accommodation buildings e.g. dormitories</p> | <p><input type="checkbox"/> Yes<br/> <input checked="" type="checkbox"/> No</p> <p>If yes approx. % of workers in on site accommodation</p> <p>Not applicable</p> |
| <p>L: Are there any off site provided worker accommodation buildings</p>                 | <p><input type="checkbox"/> Yes<br/> <input checked="" type="checkbox"/> No</p> <p>If Yes approx. % of workers</p>  |
| <p>M: Were the site provided accommodation buildings included in this audit</p>          | <p><input type="checkbox"/> Yes<br/> <input checked="" type="checkbox"/> No</p> <p>If No, please give details</p> <p>Not applicable</p>                           |

| Audit Parameters  |   |   |   |
|---|---|---|---|
| A: Time in and time out   | Day 1 Time in:<br>10.30 AM<br>Day 1 Time out:<br>05.45 PM   | Day 2 Time in: N/A<br>Day 2 Time out: N/A | Day 3 Time in:<br>N/A<br>Day 3 Time out:<br>N/A |
| B: Number of Auditor Days Used:   | One (01) auditor in one (01) Days – 01 Manday   |   |   |
| C: Audit type:  | <input type="checkbox"/> Full Initial<br><input checked="" type="checkbox"/> Periodic<br><input type="checkbox"/> Full Follow-up<br><input type="checkbox"/> Partial Follow-Up<br><input type="checkbox"/> Partial Other – Define |   |   |
| D: Was the audit announced?   | <input checked="" type="checkbox"/> Announced<br><input type="checkbox"/> Semi – announced:<br><input type="checkbox"/> Unannounced   |   |   |
| E: Was the Sedex SAQ available for review?  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>If No, why not –  |   |   |
| F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?                | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No<br>If <b>Yes</b> , please capture detail in appropriate audit by clause  |   |   |
| G: Who signed and agreed CAPR (Name and job title)                                  | Mr. Rajeev Kumar Mishra/ General Manager - Production   |   |   |
| H: Is further information available (if Y please contact audit company for details) | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No  |   |   |
| I: Previous audit date:   | 27/05/2017  |   |   |
| J: Previous audit type:   | Annual  |   |   |
| K: Was any previous audit reviewed during this audit                                | <input type="checkbox"/> Yes <input type="checkbox"/> No<br><input checked="" type="checkbox"/> N/A   |   |   |

| Audit attendance   | Management  | Worker Representatives  |   |
|--|---|---|---|
|  | Senior management   | Worker Committee representatives                                    | Union representatives   |
| A: Present at the opening meeting?   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| B: Present at the audit?   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| C: Present at the closing meeting?   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| D: If Worker Representatives were not present please explain reasons why<br><i>(only complete if no worker reps present)</i> | Workers representatives were busy in the production.                |   |   |
| E: If Union Representatives were not present please explain reasons why:<br><i>(only complete if no union reps present)</i>  | No union exist in the facility. Not Required legally                |   |   |

## 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                  | 39        | 0         | 59     | 0         | 0         | 0      | 0            | 98    |
| Worker numbers – female                | 00        | 0         | 00     | 0         | 0         | 0      | 0            | 00    |
| Total                                  | 39        | 0         | 59     | 0         | 0         | 0      | 0            | 98    |
|  |           |           |        |           |           |        |              |       |
| Number of Workers interviewed – male   | 01        | 0         | 09     | 0         | 0         | 0      | 0            | 10    |
| Number of Workers interviewed – female | 00        | 0         | 0      | 0         | 0         | 0      | 0            | 00    |
| Total – interviewed sample size        | 01        | 0         | 09     | 0         | 0         | 0      | 0            | 10    |

|   |   |
|---|---|
| A: Nationality of Management                    | Indian  |
| B: Majority nationality of workers              | Main countries:<br>Country 1: INDIA                      approx % total workforce 100 %<br>Country 2: _____                approx % total workforce _____<br>Country 3: _____                approx % total workforce _____ |
| C: Worker remuneration (management information) | ___0___% workers on piece rate<br>___0___% hourly paid workers<br>100 % salaried workers<br><br>Payment cycle:<br>___0___% daily paid<br>___0___% weekly paid<br>100 % monthly paid<br>___0___% other – please give details |



| Worker Interview Summary   |   |
|--|---|
| A: Were workers aware of the audit?  | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No  |
| B: Were workers aware of the code?   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No  |
| C: Number of group interviews:<br><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>  | 1 (1 group of 4 employees)  |
| D: Number of individual interviews<br><i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>  | Male: 06      Female: 00  |
| E: All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors.<br><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<br><input type="checkbox"/> No<br><br>If N, please give details – Not applicable          |
| F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No  |
| G: In general, what was the attitude of the workers towards their workplace?   | <input checked="" type="checkbox"/> Favourable<br><input type="checkbox"/> Non-favourable<br><input type="checkbox"/> Indifferent |
| H: What was the most common worker complaint?  | Employees does not have any complaints.   |
| I: What did the workers like the most about working at this site?  | Nice Working Environment & Supportive Management.   |
| J: Any additional comment(s) regarding interviews:   | None  |
| K: Attitude of workers to hours worked:  | Good  |
| L. Is there any worker survey information available?   |   |
| <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No<br><i>If Yes, please give details: Not applicable</i>   |   |
| M: Attitude of workers:<br><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>   |   |

10 workers (all male) were selected for interview, they were interviewed as 1 group of 4 employees and balance 06 workers were interviewed individually.

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

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

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

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

**O: Attitude of managers:**

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

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

## Audit Results by Clause

### 0A: Universal Rights covering UNGP

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

#### 0.A. Guidance for Observations

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

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

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

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

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

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

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

#### Current Systems and Evidence Examined

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

#### Current systems:

1. Based on review of records facility had not established a policy covering human rights impacts and issues and communicated to all appropriate parties, including its own suppliers.
2. Mr. Rajeev Kumar Mishra/ General Manager is responsible for implementing standards concerning Human rights.
3. The facility had not identified their stakeholders and salient issues.
4. The facility measured their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.
5. Where businesses have an adverse impact on human rights within any of their stakeholders, they address these issues and enable effective remediation.
6. Based on review of records facility have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.

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

##### Details:

- Facility Policies & Procedures. ETI Code, written policies and procedure that being provided individually to employees.
- Employees' training records showed the facility conducted training for employees about the social compliance when they enter the facility.
- Interaction with Management and Interview with employees

Any other comments: None

|  |  |
|--|--|
| <p>A: Policy statement that expresses commitment to respect human rights?</p>  | <p><input type="checkbox"/> Yes<br/><input checked="" type="checkbox"/> No</p> <p>Please give details: Facility had not established documented policy on human rights which states commitment to respect human rights.</p>   |
| <p>B: Does the business have a designated person responsible for implementing standards concerning Human Rights?</p>   | <p><input checked="" type="checkbox"/> Yes<br/><input type="checkbox"/> No</p> <p>Please give details:<br/>Name: Mr. Rajeev Kumar Mishra<br/>Job title: General Manager - Production</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<br/><input type="checkbox"/> No</p> <p>Please give details:<br/>Facility had provided a following grievance mechanism for confidential reporting and anonymously without fear of retaliation any breaches of policies and procedures.</p> <ol style="list-style-type: none"> <li>1. Workforce Representative</li> <li>2. Prevention of Sexual Harassment Committee Representative</li> <li>3. Works committees Representative</li> <li>4. Forum like mailers, social network, Hotline number and direct reporting to responsible person.</li> </ol> |
| <p>D: Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>  | <p><input checked="" type="checkbox"/> Yes<br/><input type="checkbox"/> No</p> <p>Please give details: Facility does have "Data Privacy policy" and ensures that employees, suppliers and customers information remains confidential.</p>  |

| Findings 1   |  |  |
|--|--|--|
| <p><b>Finding: Observation</b> <input checked="" type="checkbox"/>      <b>Company NC</b> <input type="checkbox"/></p> <p><b>Description of observation:</b></p> <p>Based on interaction with management and review of records, it was noted that facility does not have a policy, endorsed at the highest level, covering human rights impacts and issues. Hence it is not communicated to all appropriate parties, including its own suppliers.</p> <p><b>Local law:</b><br/>Not applicable.</p> <p><b>ETI/Additional elements:</b><br/>0.A.1 Businesses should have a policy, endorsed at the highest level, covering</p> |  | <p><b>Objective evidence observed:</b></p> <p>Review of records &amp; interaction with management.</p> |

|   |  |
|---|--|
| <p>human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.</p> <p><b>Customer specific requirement:</b><br/>Not applicable.</p> <p><b>Comments:</b><br/>It is recommended that facility shall have documented policy, endorsed at the highest level, covering human rights impacts and issues. Further, policy shall be communicated to all appropriate parties, including its own suppliers.</p> |  |
|---|--|

| Findings 2   |  |
|--|--|
| <p><b>Finding: Observation</b> <input checked="" type="checkbox"/>                      <b>Company NC</b> <input type="checkbox"/></p> <p><b>Description of observation:</b></p> <p>Based on interaction with management and review of records, it was noted that facility does not identify their stakeholders and salient issues.</p> <p><b>Local law:</b><br/>Not applicable.</p> <p><b>ETI/Additional elements:</b><br/>0.A.3 Businesses shall identify their stakeholders and salient issues</p> <p><b>Customer specific requirement:</b><br/>Not applicable.</p> <p><b>Comments:</b><br/>It is recommended that facility shall identify their stakeholders and salient issues.</p> | <p><b>Objective evidence observed:</b></p> <p>Review of records &amp; interaction with management.</p> |

| Findings 3  |  |
|---|--|
| <p><b>Finding: Observation</b> <input checked="" type="checkbox"/>                      <b>Company NC</b> <input type="checkbox"/></p> <p><b>Description of observation:</b></p> <p>Based on interaction with management and review of records, it was noted that facility does identify direct, indirect, and potential impacts on stakeholder's human rights. Hence no remedial action in place.</p> <p><b>Local law:</b><br/>Not applicable.</p> <p><b>ETI/Additional elements:</b><br/>A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.<br/>0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.</p> <p><b>Customer specific requirement:</b><br/>Not applicable.</p> | <p><b>Objective evidence observed:</b></p> <p>Review of records &amp; interaction with management.</p> |

|   |  |
|---|--|
| <p><b>Comments:</b><br/>It is recommended that facility shall identify direct, indirect, and potential impacts on stakeholder's human rights. Remedial action shall be taken and documented in case of impact is notices.</p> |  |
|---|--|

| Good examples observed:           |                              |
|-----------------------------------|------------------------------|
| Description of Good Example (GE): | Objective Evidence Observed: |
| None Observed                     | Not applicable               |

## Measuring Workplace Impact

| Workplace Impact  |   |  |
|---|---|--|
| A: Annual worker turnover:<br>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:<br>6.36 %  | This year<br>4.30 %  |
| B: Current % quarterly (90 days) turnover:<br>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 <sup>st</sup> day of 90 day period + number of employees on the last day of the 90 day period) / 2] | 00 %  |  |
| C: Annual % absenteeism:<br>Number of days lost through job absence in the year / [(number of employees on 1 <sup>st</sup> day of the year + number employees on the last day of the year / 2] * number available workdays in the year  | Last year:<br>5.24 %  | This year<br>3.76 %  |
| D: Quarterly (90 days) % absenteeism:<br>Number of days lost through job absence in the period / [(Number of employees on 1 <sup>st</sup> of the period + Number of employees on the last day of the period / 2] * Number of available workdays in the month                                  | 33.56%  |  |
| E: Are accidents recorded?  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Please describe: Facility had maintained Form-11, 18, 24) however no accidents were occurred till date. |  |
| F: Annual Number of work related accidents and injuries per 100 workers:<br>[Number of work related accidents and injuries * 100) / Number of total workers]  | Last year:<br>Number: No accidents and injuries were occurred till date.  | This year:<br>Number: No accidents and injuries were occurred till date. |
| G: Quarterly (90 days) number of work related accidents and injuries per 100 workers:<br>[Number of work related accidents and injuries * 100) / Number of total workers]   | No accidents and injuries were occurred till date.  | No accidents and injuries were occurred till date.                       |
| H: Lost day work cases per 100 workers:<br>[(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers]  | Last year: No accidents and injuries were occurred till date.   | This year: No accidents and injuries were occurred till date.            |
| I: % of workers that work on average more than 48 standard hours / week in the last 6 / 12 months:  | 6 months<br>__0__% workers  | 12 months<br>__0__% workers  |
| J: % of workers that work on average more than 60 total hours / week in the last 6 / 12 months:   | 6 months<br>__0__% workers  | 12 months<br>__0__% workers  |

0

**0B: Management system and Code Implementation**

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

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

**Current Systems and Evidence Examined**

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

**Current systems:**

1. Based from facility tour and review of records, facility has implemented the ETI base code and the code has been displayed in notice board and communicated to all the employees during induction training.
2. Mr. Rajeev Kumar Mishra/ General Manager - is responsible for compliance with the code.
3. Based from review of records and interaction with management facility has communicated the ETI base code to their suppliers and obtained a commitment from them to comply with this code requirement.
4. Based on review of records that facility had obtained legally required Business license and approved plant layout from the concerned authority.

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

Details:

- Facility Policy and Procedures
- Business License- valid till 31/12/2018
- ETI base code
- Interaction with Management and Interview with employees

Any other comments: None



| <b>Management Systems:</b>  |   |
|---|---|
| A: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?  | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No<br>Please describe: No such fine imposed on the site till date.  |
| B: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Please describe: The facility has established the policies and procedure with respect to social compliance.   |
| C: If Yes, is there evidence (an indication) of effective implementation? Please give details.  | Facility had effectively implemented the social compliance system and ensuring the same by conducting an audit in a periodic manner, necessary corrective and preventive action has been taken by the facility for the non-compliance raised during the audit. Further the report of the same was maintained by the facility.   |
| D: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Please describe: All the employees will have undergone an induction training where the social compliance policies and procedures were explained. Apart from that facility also provided annual training. Last training conducted on dated 25/04/2018. |
| E: If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Please describe: Based on interaction with the employees, the training provided found effective. Last training conducted on dated 25/04/2018.   |
| F; Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date). | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No<br>Please describe: Not applicable   |
| G: Is there a Human Resources manager/department? If Yes, please detail.  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Please describe: Facility had dedicated HR department to take care of HR activities.  |
| H: Is there a senior person /manager responsible for implementation of the Code   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Please describe: Mr. Soumik Mukherjee – HR Executive responsible for compliance with the code.  |
| I: Is there a policy to ensure all worker information is  | <input checked="" type="checkbox"/> Yes   |

|  |   |
|--|---|
| confidential   | <input type="checkbox"/> No<br>Please describe: Facility had "Data Privacy policy" to ensure all worker information is confidential.  |
| J: Is there an effective procedure to ensure confidential information is kept confidential   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Please describe: Facility had a system to ensure the same whether the information was shared on a need to know basis only.  |
| K: Are risk assessments conducted to evaluate policy and procedure effectiveness?  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Details: Facility had a system of conducting internal audit to evaluate the effectiveness of policy and procedures and update the same if required.   |
| L: Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Details: Based on the interaction with the management and review of record that effective action has been taken against the risk assessment and internal audit.<br>Internal audit conducted in every 12 months. Last internal audit conducted on dated 25/04/2018 |
| M: Does the facility have a policy/code which require labour standards of its own suppliers?   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Details: Facility has a policy which requires labour standards of its own suppliers.  |
| <b>Land rights</b>   |   |
| N: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Details: Facility had obtained land purchasing deed, "Trade License" from the concerned authority which is found valid.   |
| 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  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Details: Facility have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title.   |
| P: Does the site have a written policy and procedures specific to land rights.<br>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 | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No<br>If yes, how does the company obtain FPIC:<br>Facility does not have written policy and procedures specific to land rights.  |

|  |   |
|--|---|
| <p>Q: Is there evidence that facility site compensated the owner/lessor for the land prior to the facility being built or expanded.<br/>Please give details.</p>       | <p><input checked="" type="checkbox"/> Yes<br/> <input type="checkbox"/> No<br/>                 Details: Facility had taken this land from West Bengal Small Scale Industries in lease with proper compensation.</p> |
| <p>R. Does the Facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts<br/>Please give details.</p> | <p><input checked="" type="checkbox"/> Yes<br/> <input type="checkbox"/> No<br/>                 Details: Facility had taken this land from West Bengal Small Scale Industries in lease with proper compensation.</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<br/> <input checked="" type="checkbox"/> No<br/>                 Details: Not applicable</p>  |

**Non-compliance: 1**

**Description of non-compliance:**

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

Based on the document review and management interaction it was noted that 01 out of 04 contractors -contractor (M/S Genius Consultants Ltd) license was expired on dated 31/12/2016. However, contractor was applied for the renewal on dated 07/02/2017 to labour department.

**Local law:**

W B Contract Labour (Regulation & Abolition) Rules, 1972. Rule-29- Renewal of license – every contractor shall apply to the licensing officer for renewal of the license before its validity expires

**ETI requirement:**

Not applicable

**Recommended corrective action:**

It is recommended to the facility to obtain valid license from its contractor at earliest.

**Action by :** Mr. Rajeev Kumar Mishra/ General Manager – Production

**Time Scale :** 60 days

**Verification Method :** Desktop

**Objective evidence observed:**

*(where relevant please add photo numbers)*

During document review and management interaction.

Noncompliance photo – Not applicable

**Non-compliance: 2**

**Description of non-compliance:**

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

During document review and management interaction it was noted that facility approved layout plan was not available for review.

**Local law:**

West Bengal Factories Act, 1958, Chapter 1, Rule 3, Approval of site and plan.-(1)  
 No building shall be constructed, extended or taken into use as a factory or a part of a factory on any site unless previous permission in writing has been obtained from the State Government or the Chief Inspector for the site and for the construction, extension or use of the building on such site.  
 Application for such permission shall be made as nearly as possible 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.

**ETI requirement:**

Not applicable

**Recommended corrective action:**

It is recommended to the facility to provide approved (from authority) layout plan for review.

**Action by :** Mr. Rajeev Kumar Mishra/ General Manager – Production

**Time Scale :** 60 days

**Verification Method :** Desktop

**Objective evidence observed:**

*(where relevant please add photo numbers)*

During document review and management interaction.

Noncompliance photo – Not applicable

| Observation:  |   |
|---|---|
| <p><b>Description of observation:</b></p> <p>Based on interaction with management, and review of records, it was noted that facility does not have a written policy and procedures specific to land rights.</p> <p><b>Local law or ETI requirement:</b></p> <p>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>Not applicable</p> <p><b>Comments:</b></p> <p>It is recommended that facility shall develop a written policy and procedures specific to land rights.</p> | <p><b>Objective evidence observed:</b></p> <p>interaction with management<br/>review of records</p> |

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

**1: Freely Chosen Employment**  
[\(Click here to return to NC-table\)](#)

**ETI**

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

**Current Systems and Evidence Examined**

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

**Current systems:**

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

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

Details:

- Facility Policy and Procedures.
- Facility followed model standing order.
- Appointment Letter of 10 out of 10 selected samples and Payroll records.
- Interaction with Management and Interview with employees.

Any other comments: None

|   |  |
|---|--|
| <p>A: Is there any evidence of retention of original documents, e.g. passports/ID's</p> | <p><input type="checkbox"/> Yes<br/> <input checked="" type="checkbox"/> No<br/>                 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<br/> <input checked="" type="checkbox"/> No<br/>                 If yes please give details and category of worker affected</p>  |
| <p>C: Is there Any evidence of retention of wages /deposits</p>                         | <p><input type="checkbox"/> Yes<br/> <input checked="" type="checkbox"/> No<br/>                 If yes please give details and category of worker affected</p>  |
| <p>D: Are there any restrictions on workers' freedom to terminate employment?</p>       | <p><input type="checkbox"/> Yes<br/> <input checked="" type="checkbox"/> No<br/>                 Please describe finding: Employees are free to leave their job by giving one month notice period.</p> |

|   |  |
|---|--|
| <p>E: If any part of the business is UK based / registered &amp; turnover is 36m+ there is a requirement to publish a 'modern day slavery statement.<br/>F: Is there a modern day slavery statement published</p> | <p><input checked="" type="checkbox"/> Yes<br/><input type="checkbox"/> No</p> <p>Please describe finding: The part of the business is not UK based.</p> <p><input checked="" type="checkbox"/> Not applicable</p> |
| <p>G: Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day</p>   | <p><input type="checkbox"/> Yes<br/><input checked="" type="checkbox"/> No</p> <p>Please describe finding: Employees are free to leave their workplace without any restriction at the end of the work day.</p>     |
| <p>H: Does the site understand the risks of forced / trafficked / bonded labour in it's supply chain</p>  | <p><input type="checkbox"/> Yes<br/><input type="checkbox"/> No</p> <p>If yes please give details and category of workers affected:</p> <p><input checked="" type="checkbox"/> Not applicable</p>                  |
| <p>I: Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>   | <p><input type="checkbox"/> Yes<br/><input type="checkbox"/> No</p> <p>Not applicable<br/>Please describe finding: Facility does not involve on any forced / trafficked labour.</p>                                |

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



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

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

- 1. Based from employee's interview, employees can approach top management directly to report their grievances and necessary corrective action is taken by the management.
- 2. Facility has formed a Workers Committee and conducted meetings once in a three months and the minutes of meetings are recorded for verification and future reference.
- 3. Based from employee's interview, the facility does not restrict employees from organizing trade unions and has an open mind approach towards the activities of trade unions and their organizational activities.
- 4. Based from the employee's interview and interaction with facility management, works committee employee representatives are not discriminated and they are free to carry out their functions like meetings on periodical basis.

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

Details:

- Facility Policy and Procedures.
- Suggestion Box.
- Works Committee meeting and grievance committee meeting was conducted in every 03 months along with workers' grievances. Last meeting conducted on dated 25/04/2018 for both works committee and grievance committee;
- Interaction with Management and Interview with employees.

Any other comments: None

|   |  |   |
|---|--|---|
| <p>A: What form of worker representation/union is there on site?</p>  | <input type="checkbox"/> Union (name)<br><input checked="" type="checkbox"/> Worker Committee<br><input checked="" type="checkbox"/> Other (Grievance committee)<br><input type="checkbox"/> None  |   |
| <p>B: Is it a legal requirement to have a union?</p>  | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No   |   |
| <p>C: Is it a legal requirement to have a worker's committee?</p>   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No   |   |
| <p>D: Is there any other form of effective worker/management communication channel? (Other than union/worker committee) e.g. H&amp;S, sexual harassment</p> | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Describe: Facility has provided suggestion box, where employees are free to express their problems / suggestions / complaints for any grievances. While interviewing, all employees reported that they are free to approach the management for any problem.<br>Last works committee meeting and grievance committee conducted on dated- 25/04/2018 Health & Safety committee meeting conducted on dated 25/04/2018<br>Last anti sexual harassment committee meeting conducted on dated 25/04/2018.<br><br>Is there evidence of free elections?<br><input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No |   |
| <p>E: Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?</p>  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Details: Based from the employee's interview and review of records that, works committee employee representatives are free to carry out their functions like meetings with adequate facilities on periodical basis and the record of the same was maintained.  |   |
| <p>F: Name of union and union representative, if applicable:</p>  | <p>No union exists in the facility.</p>  | <p>Is there evidence of free elections?<br/> <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p> |
| <p>G: If no union what is parallel means of consultation with workers e.g. worker committees?</p>   | <p>Workers Committee and Grievance committee</p>   | <p>Is there evidence of free elections?<br/> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> |
| <p>H: Are all workers aware of who their representatives are?</p>   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  | <p>Mr. Sanjay Karmakar - WR</p>   |
| <p>I: Were worker representatives freely elected?</p>   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  | <p>Date of last election: 24/01/2018</p>  |
| <p>J: Do workers know what topics can be raised with their representatives?</p>   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  | <p>...The minutes are discussed among the employees if any issue raised that is displayed in notice board.</p>                                    |
| <p>K: Were worker representatives/union representatives interviewed</p>   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br>If <b>Yes</b> , please state how many: 1  |   |

|  |   |  |
|--|---|--|
| <p>L: State any evidence that union/worker's committee is effective?<br/><i>Specify date of last meeting; topics covered; how minutes were communicated etc.</i></p> | <p>Facility had conducted last meeting on 25/04/2018. Topics discussed during the committee meeting was regarding glucose distribution.</p> |  |
| <p>M: Are any workers covered by Collective Bargaining Agreement (CBA)</p>   | <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>  |  |
| <p>N: If <b>Yes</b> what percentage by trade Union/worker representation</p>   | <p><u>  0  </u>% workers covered by Union CBA</p>   | <p><u>  0  </u>% workers covered by worker rep CBA</p> |
| <p>O: If <b>Yes</b>, does the Collective Bargaining Agreement (CBA) include rates of pay</p>   | <p><input type="checkbox"/> Yes<br/><input type="checkbox"/> No<br/>Not applicable</p>  |  |

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

| <p style="text-align: center;"><b>Observation:</b></p>  |   |
|---|---|
| <p><b>Description of observation:</b><br/><br/>                     None Observed<br/><br/> <b>Local law or ETI requirement:</b><br/><br/>                     Not applicable<br/><br/> <b>Comments:</b><br/><br/>                     Not applicable</p> | <p><b>Objective evidence observed:</b><br/><br/>                     Not applicable</p> |

| Good Examples observed:           |                              |
|-----------------------------------|------------------------------|
| Description of Good Example (GE): | Objective Evidence Observed: |
| None Observed                     | Not applicable               |

**3: Working Conditions are Safe and Hygienic**

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

**ETI**

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

**Current Systems and Evidence Examined**

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

**Current systems:**

**1. General Health and Safety management**

- Mr. Rajeev Kumar Mishra/ General Manager is responsible for Health & Safety aspects for the site
- Potable water was freely available in all areas and test certificates were up-to-date
- Clean toilets were available at all times to workers however number was not sufficient.
- Ventilation, temperature and lighting were adequate for the production processes

**2. Fire Safety**

- There were at least 2 exits from each work area and these were clearly marked
- Fire-fighting equipment's such as sand bucket -03, Fire sprinkler Hydrant -08, Hose box- 07, hose reel-04, fire extinguishers-17, emergency lights-11, fire alarm call points-09, fire alarm panel -01, smoke detector-49 was provided in the facility which was found sufficient.
- Evacuation diagrams were posted in all areas and understood by all workers interviewed
- Fire drills were organized and recorded every 2 months as per the law
- Fire-fighting training had been given by trained defence employee on dated 30/03/2018 along with fire evacuation drill. Last training provided to its 18 employees on dated 30/03/2018.
- Facility has marked all the exits and emergency exits in a language understood by majority of the employees

**3. Machine & Electrical safety**

- All electrical wirings etc was maintained in good condition
- There electricians at the site to do the electrical work
- No machines in the facility

**4. Chemical safety**

- No chemical used in the facility.

**5. Medical services**

- Facility has trained 12 employees in first aid from St. Johns ambulance Associations on dated 03/03/2018. The sufficient number of First aid boxes were provided in production floor. All eligible employees were

registered in Employee State Insurance (ESI).

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

Details:

- Health and Safety Policy
- Factory License – valid till 31/12/2018
- Fire NOC obtained on dated 17/08/2017 and valid till 01 year.
- Building Plan – Not available approved plan for review.
- Stability Certificate- obtained on dated 22/07/2017
- Industrial accident records – Updated till April 2018
- Facility has trained 12 employees in first aid from St. Johns ambulance Associations on dated 21/05/2018.
- Health & Safety Committee meeting minutes dated 25/04/2018
- Drinking Water Test report dated 18/05/2018 from "R V Briggs & Co Pvt Ltd"
- Fire Drill conducted once in 2 months. Last drill was conducted on 30/03/2018
- Fire-fighting training provided to 18 employees by trained ex-defence employee on dated 30/03/2018.

Any other comments: None

|   |  |
|---|--|
| <p>A: Does the facility have general Health &amp; Safety and occupational Health &amp; Safety policies and procedures that are fit for purpose and are these communicated to workers?</p> | <p><input checked="" type="checkbox"/> Yes<br/><input type="checkbox"/> No</p> <p>Details: Facility had established general Health &amp; Safety, occupational Health &amp; Safety policies and procedures that are fit for purpose and are these communicated to workers during induction training.</p> <p>General Machine safety, Protective Equipment's (PPEs), health &amp; safety training provided on dated 11/05/2018 and chemical safety on dated 12/02/2018.</p> |
| <p>B: Are the policies included in worker's manual?</p>   | <p><input checked="" type="checkbox"/> Yes<br/><input type="checkbox"/> No</p> <p>Details: Facility had included the social compliance policies in induction training program and also posted in notice board. Facility also provided all the information in the appointment letter.</p>   |
| <p>C: Are there any structural additions without required permits/inspections (e.g. floors added)?</p>  | <p><input type="checkbox"/> Yes<br/><input checked="" type="checkbox"/> No</p> <p>Details: Approved building Plan was not available for review</p>   |
| <p>D: Are visitors to the site informed on H&amp;S and provided with personal protective equipment</p>  | <p><input checked="" type="checkbox"/> Yes<br/><input type="checkbox"/> No</p> <p>Details: Facility visitors are informed on H&amp;S and provided with</p>   |

|  |  |
|--|--|
|  | appropriate personal protective equipment.   |
| <p>E: Is a medical room or medical facility provided for workers?</p> <p>If yes, do the room(s) meet legal requirements and is the size/number of rooms suitable for the number of workers.</p>      | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br><p>Details: Facility has trained 12 employees in first aid from St. Johns ambulance Associations on dated 21/05/2018. The sufficient number of First aid boxes were provided in production floor</p>       |
| <p>F: Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid</p>   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br><p>Details: Facility has trained 12 employees in first aid from St. Johns ambulance Associations on dated 21/05/2018.</p> <p>All eligible employees were registered in Employee State Insurance (ESI).</p> |
| <p>G: Where facility provides worker transport - it is fit for purpose, safe and maintained and operated by competent persons e.g. buses and other vehicles</p>                                      | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No<br><p>Details: Not applicable</p>   |
| <p>H: Secure personal storage space is provided for workers in their living space and is fit for purpose</p>   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br><p>Details: Facility had provided sufficient personal storage area.</p>  |
| <p>I: H&amp;S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and there are controls to reduce identified risk</p> | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br><p>Details: Facility had conducted internal audit to identify the risk and accordingly action has been taken. Last internal audit conducted on dated 25/04/2018</p>  |
| <p>J: Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources</p>   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br><p>Please describe: Facility is meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources.</p>                                      |
| <p>K: Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals</p>  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br><p>Please describe: Based on interaction with facility management that the facility does not use any banned chemicals and meet all the environmental standards based on</p>                                |



|  |                       |
|--|-----------------------|
|  | customer requirement. |
|--|-----------------------|

| Non-compliance: 1  |   |
|--|---|
| <p><b>Description of non-compliance:</b><br/> <input checked="" type="checkbox"/> NC against ETI      <input checked="" type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p>During document review and management interaction it was noted that 01 out of 02 exit path was partially blocked with water can in the first floor (stitching section) and with production material in second floor (cutting section) of the facility.</p> <p><b>Local law:</b><br/>           THE WEST BENGAL FIRE SERVICES ACT, 1950. (West Bengal Act XVIII of 1950) 12. <i>License for warehouse or work-shops.</i>—No building or place shall be used as a warehouse or as a workshop unless the owner or occupier thereof shall have previously obtained under this Act, a license for such use from the Collector.</p> <p><b>ETI requirement:</b><br/>           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><b>Recommended corrective action:</b><br/>           It is recommended to the facility to clear all the exit path in first floor and in second floor.</p> <p><b>Action by :</b> Mr. Rajeev Kumar Mishra/ General Manager – Production</p> <p><b>Time Scale :</b> 30 days</p> <p><b>Verification Method :</b> Desktop</p> | <p><b>Objective evidence observed:</b><br/> <i>(where relevant please add photo numbers)</i></p> <p>During document review and management</p> <p><b>Noncompliance photo – No.- #1 &amp; 2</b></p> |

**Non-compliance: 2**

**Description of non-compliance:**

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

During facility tour it was noted that 01 out of 02 exit door was opening in inward direction (not opening in direction of travel- outward) in the stitching section (first floor

**Local law:**

In accordance with the According to West Bengal Factories Rules (1958), Rule 61(10) (t) Exit doorways shall open outwards, that is way from the room but shall not obstruct the travel along any exit. No door, when opened, shall reduce the required width of stairway or landing to less than 90 centimeters. Sliding doors with up\_down movement shall not be installed for this purpose.

**ETI requirement:**

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

**Recommended corrective action:**

It is recommended to the facility to arrange to open the door in direction of travel.

**Action by :** Mr. Rajeev Kumar Mishra/ General Manager – Production

**Time Scale :** 30 days

**Verification Method :** Desktop

**Objective evidence observed:**

*(where relevant please add photo numbers)*

During document review and management

**Noncompliance photo – No.- #3**

**Non-compliance: 3**

**Description of non-compliance:**

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

During document review and management interaction it was noted that Diesel Generator (275 KVA) annual inspection from electrical department was expired on dated 26/08/2016.

**Local law:**

Indian Electricity Rules 1956, Rule 47A, Where any consumer or occupier installs a generating plant, he shall give a thirty days' notice of his intention to commission the plant to the supplier as well as the Inspector: Provided that no consumer or occupier shall commission his generating plant of a capacity exceeding 10KW without the approval in writing of the Inspector. Explanatory Note: For installation of generators exceeding 10KW, written approval from the Inspector is required.

**ETI requirement:**

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

**Recommended corrective action:**

It is recommended to the facility to obtain valid annual inspection of diesel generator from electrical department.

**Action by :** Mr. Rajeev Kumar Mishra/ General Manager – Production

**Time Scale :** 30 days

**Verification Method :** Desktop

**Objective evidence observed:**

*(where relevant please add photo numbers)*

During document review and management

**Noncompliance photo – Not applicable**

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

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

- 1. Based from interaction with Mr. Rajeev Kumar Mishra/ General Manager – Production all employees are hired by the Human Resource Department only.
- 2. Based from review of hiring policy documents, employee's ID for age proof such as Voter ID, adhar card, PAN card and School Certificate was checked by HR department prior to hiring. The employees without valid ID certificates are not being hired.
- 3. Based from the policy review, the minimum hiring age of the facility is 18 years old.
- 4. Based from employees' interview, any suspect of child labour can be reported to facility management.
- 5. Based on the employee interviews, review of facility's Anti Child Labour & Hiring Policy and age proof documents, the facility has complied with ILO Standards for Child Labor.

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

Details:

- Child Labor and Child Labor Remediation Policy.
- Age Proof records of 10 out of 10 selected samples.
- Interaction with Management and Interview with employees.

Any other comments: None

|  |  |
|--|--|
| A: Legal age of employment   | 14 Years old for young employees and 18 years old for adult workers                                |
| B: Age of youngest worker found:   | 25 years old   |
| C: Children present on work floor but not working at time of audit   | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No                             |
| D: % of under 18's at this site (of total workers)   | 0 %  |
| E: Workers under 18 subject to hazardous work assignments?<br><a href="#">(Go to clause 3 – Health and Safety)</a> | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Not applicable<br>If Y give details |

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

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

| Good Examples observed:                                |   |
|--|---|
| Description of Good Example (GE):<br><br>None Observed | <b>Objective Evidence Observed:</b><br><br>Not applicable |

**5: Living Wages are Paid**

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

**ETI**

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

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

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

**Current Systems and Evidence Examined**

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

**Current systems:**

1. Based from review of wage records, the facility has paid the applicable minimum wages to all the employees.
2. Legal minimum: West Bengal State Minimum wage notification from January 2018 for decorative items-  
Unskilled – INR 7661 per month; Semi-skilled – INR 8427 per month; Skilled – INR 9270 per month; highly skilled INR 10197.

3. Based from employee's interview, wages are fixed on and paid on monthly basis by bank transfer only. Employees are paid by monthly basis on or before 7th of respective month.

4. Based from employee's interview, wage slips are provided to all the employees and employees are aware of their wage calculations.

5. Based from wage record review, all employees are covered under social security benefit of Employees provident fund.

6. Deductions from wages as a disciplinary measure and any other illegal deductions are not permitted as per the facility rules.

7. Based on employee's interview and record review all the employees are received appointment letter with written and understandable information about their employment conditions in respect to wages.

8. Based on record review and from employees interview no overtime was carried out. However as per policy facility will compensate overtime hours at 200% of the normal rate of wages for all employees.

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

**Details:**

- Facility Policy.
- Salary register, Pay slip and Time records for 10 selected samples for current month and 02 Random months.
- Employees Provident Fund and Employee State Insurance Remittance and receipts from May 2017 to April 2018
- Leave with wage records.
- Bonus is provided to all eligible employees.



- Settlement paid records.
- List of National and Festival Holidays.
- Interaction with management and Employees.

Any other comments: None

**Non-compliance:**

**1. Description of non-compliance:**

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

None Observed

**Local law and/or ETI requirement**

Not applicable

**Recommended corrective action:**

Not applicable

**Objective evidence observed:**

*(where relevant please add photo numbers)*

Not applicable

**Observation:**

**Description of observation:**

None Observed

**Local law or ETI requirement:**

Not applicable

**Comments:**

Not applicable

**Objective evidence observed:**

Not applicable

**Good Examples observed:**

Description of Good Example (GE):

None Observed

**Objective Evidence Observed:**

Not applicable

### Summary Information

| Criteria   | Local Law<br><i>(Please state legal requirement)</i>   | Actual at the Site<br><i>(Record site results against the law)</i>   | Is this part of a Collective Bargaining Agreement?                     |
|--|--|--|--|
| A: Standard/Contracted work hours:<br><i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)</i> | Legal maximum: 9 hours per day / 48 hours per week   | 8 hours per day / 48 hours per week  | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No |
| B: Overtime hours:<br><i>(Maximum legal and actual overtime hours, please state if possible per day, week, and month)</i>  | Legal maximum: 2 hours per day / 12 hours per week / 50 hours per quarter  | 00 hours per day / 00 hours per week   | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No |
| D: wage for standard/contracted hours:<br><i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)</i>              | Legal minimum: West Bengal State Minimum wage notification from January 2018 for footwear industry- Unskilled – INR 7661 per month; Semi-skilled – INR 8427 per month; Skilled – INR 9270 per month; highly skilled INR 10197. | Actual Paid:<br>Unskilled - INR 8500 per month;<br>Semi-skilled – INR 8800 per month;<br>Skilled – INR 9300 to INR 10,800 per month. | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No |
| E: overtime wage:<br><i>(Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)</i>                          | Legal minimum: 200% of normal rate of wages  | 200% of normal rate of wages   | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No |

| <b>Wages analysis:</b><br><i>(Click here to return to Key Information)</i>  |  |
|---|--|
| A: Were accurate records shown at the first request?  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No   |
| B: If <b>No</b> , why not?  | Not applicable   |
| C: Sample Size Checked<br><i>(State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)</i> | A total of 10 employees were interviewed and the same numbers of records were reviewed for the months of April 2018 (Current month), November 2017 (Random month) and July 2017 (Random month).  |
| D: Are there different legal minimum wage grades? If <b>Yes</b> , please specify all.   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br><br>If <b>Yes</b> , please give details:<br><br>Helper - INR 8500 per month;<br>Checker, Junior operator – INR 8800<br>Operator – INR 9300 to INR 10,800                           |
| E: If there are different legal minimum grades, are all workers graded and paid correctly?  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> N/A<br><br>If <b>No</b> , please give details:  |
| F: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?  | Lowest Wages found: <i>Note: full time employees and please state hour / week / month etc.</i><br><br>Helper - INR 8500 per month;<br>Checker, Junior operator – INR 8800<br>Operator – INR 9300 to INR 10,800   |
|   | <input type="checkbox"/> Below legal min<br><input type="checkbox"/> Meet<br><input checked="" type="checkbox"/> Above<br><br>___% of workforce earning under min wage<br>___% of workforce earning min wage<br>___100_% of workforce earning above min wage |
| G: Bonus (amount specify)   | Bonus Scheme found: Yes.<br><br>Facility had provided all of its eligible employees' bonus for April 2016 to March 2017 on dated September 26, 2017 at the rate of 8.33%.<br><br><i>Note: full time employees and please state hour / week / month etc.</i>  |
| H: What deductions are required by law e.g. social insurance? Please state all types:   | Employee Provident Fund; Employee State Insurance  |

|   |   |
|---|---|
| <p>I: Have these deductions been made? Please list all deductions that have/have not been made.</p>   | <p><input checked="" type="checkbox"/> Yes<br/> <input type="checkbox"/> No<br/>                 If No, please describe Not applicable</p>  |
| <p>J: Were appropriate records available to verify hours of work and wages?</p>   | <p><input checked="" type="checkbox"/> Yes<br/> <input type="checkbox"/> No</p>   |
| <p>K: Were any inconsistencies found? (if yes describe nature)</p>  | <p><input type="checkbox"/> Yes<br/> <input checked="" type="checkbox"/> No<br/> <input type="checkbox"/> Poor record keeping<br/> <input type="checkbox"/> Isolated incident<br/> <input type="checkbox"/> Repeated occurrence:</p>  |
| <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<br/> <input type="checkbox"/> No<br/>                 Details: Facility had implemented manual time recording system to record the In/out time recording for all employees.</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<br/> <input checked="" type="checkbox"/> No<br/>                 Please specify amount/time:<br/><br/>                 Facility did not define any living wages. At present facility is following the applicable minimum wages as notified by the State Government.</p>   |
| <p>If yes, what was the calculation method used.</p>  | <p><input type="checkbox"/> ISEAL/Anker Benchmarks<br/> <input type="checkbox"/> Asia Floor Wage<br/> <input type="checkbox"/> Figures provided by Unions<br/> <input type="checkbox"/> Living Wage Foundation UK<br/> <input type="checkbox"/> Fair Wear Wage Ladder<br/> <input type="checkbox"/> Fair trade Foundation<br/>                 Other – please give details:</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<br/> <input type="checkbox"/> No<br/>                 Details: West Bengal Government will revise the minimum wages on the month of January and July every year and the same will be paid to the employees accordingly.</p>  |
| <p>O: Are workers paid in a timely manner in line with local law?</p>   | <p><input checked="" type="checkbox"/> Yes<br/> <input type="checkbox"/> No</p>   |
| <p>P: Is there evidence that equal rates are being paid for equal work:</p>   | <p><input checked="" type="checkbox"/> Yes<br/> <input type="checkbox"/> No<br/>                 Details: Based on review of wage records, equal rates are being paid for equal work.</p>   |
| <p>Q: How are workers paid:</p>   | <p><input type="checkbox"/> Cash<br/> <input type="checkbox"/> Cheque<br/> <input checked="" type="checkbox"/> Bank Transfer (100%)<br/> <input type="checkbox"/> Other<br/>                 If other 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:**

1. Facility has restricted normal working hours to 8 hours per day and 48 hours per week. Further the facility had restricted the overtime hours to the total of 60 hours per week as per policy however no overtime done in any of the sample months.
2. Based from tour of the facility, it was noted that the working hours and weekly rest day are displayed on notice board.
3. The facility has implemented manual time recording system for all employees.

**Based on review of time records, the working hours could be summarized as follows:**

- For April 2018 (Current month), the average working hours of 10 selected samples were 47.45 hours/week. Maximum working hours per week were 48 hours (7 out of 10 selected samples).
- For November 2017 (Random month) the average working hours of 10 selected samples were 47.20 Hours/week. Maximum working hours per week were 48 hours (7 out of 10 selected samples).
- For July 2017 (Random month) the average working hours of 10 selected samples were 46.30

- hours/week. Maximum working hours per week were 48 hours (06 out of 10 selected samples).
- No overtime was carried out in any of the sample months.

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

Details:

- Facility Policy.
- In/Out time records and Salary register for 10 selected samples for current month and 02 Random months.
- Interaction with management and Employees.

Any other comments: None

**Non-compliance:**

**1. Description of non-compliance:**

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

None Observed

**Local law and/or ETI requirement**

Not applicable

**Recommended corrective action:**

Not applicable

**Objective evidence observed:**

*(where relevant please add photo numbers)*  
Not applicable

**Observation:**

**Description of observation:**

None Observed

**Local law or ETI requirement:**

Not applicable

**Comments:**

Not applicable

**Objective evidence observed:**

Not applicable

| Good Examples observed:                                |   |
|--|---|
| Description of Good Example (GE):<br><br>None Observed | <b>Objective Evidence Observed:</b><br><br>Not applicable |

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



|   |  |   |
|---|--|---|
|   |  | <p>whole day on one of the three days immediately before or after the said day, and</p> <p>(b) The manager of the factory has, before the said day or the substituted day under clause (a) whichever is earlier, -</p> <p>(i) Delivered a notice at the office of the Inspector of his intention to require the worker to work on the said day and of the day which is to be substituted, and</p> <p>(ii) Displayed a notice to that effect in the factory: Provided that no substitution shall be made which will result in any worker working for more than ten days consecutively without a holiday for a whole day.</p> |
|   | Maximum number of days worked without a day off (in sample): <b>6 days</b> |   |
|   |  |   |
| <b>Standard/Contracted Hours worked</b>   |  |   |
| G: Standard working hours over 48 per week found  | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No     | <p>If yes, % of workers &amp; frequency</p> <p>Not applicable</p>   |
| H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site? | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No     | <p>If YES, please give details</p> <p>Not applicable</p>  |
| <b>Overtime Hours worked</b>  |  |   |
| I: Actual overtime hours worked in sample (State per day/week/month)                                | Highest OT hours:  | <p>00 Hours per week in the Month of April 2018</p> <p>00 Hours per week in the Month of November 2017</p> <p>00 Hours per week in the Month of July 2017</p>   |
| J: Combined hours (standard/contracted plus= total) 60 found?                                       | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No     |   |
| K: Approximate percentage of total workers on highest overtime hours                                | 00%  |   |

|   |   |   |
|---|---|---|
| <p>L: Is overtime voluntary?</p>  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> Conflicting Information  | <p>Please detail evidence e.g. Wording of contract/employment agreement/handbook/worker interviews/refusal arrangements:</p> <p>Based on interview with employees overtime is engaged on voluntary basis.</p>       |
| <p><b>Overtime Premiums</b></p>   |   |   |
| <p>M: Are the correct legal overtime premiums paid?</p>   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br><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 <b>standard</b> wages: <b>200%</b></p>  |
| <p>N: Is overtime paid at a premium?</p>  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No  | <p>If yes, please describe % of workers &amp; frequency:</p> <p>All the employees are paid with 200% of normal rate of wages as overtime premium as per the legal requirement which was paid along with salary.</p> |
| <p>O: ETI Code requires a prevailing standard to give greatest worker protection. If a site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant. Multi select is possible.</p> | <input type="checkbox"/> No<br><input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium)<br><input type="checkbox"/> Collective Bargaining agreements<br><input type="checkbox"/> Other<br><hr/> <p>Please explain any checked boxes above e.g. detail of consolidated pay CBA or Other</p> <hr/> <p>Not applicable</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. Multi select is possible.</p>   | <input type="checkbox"/> <b>Overtime is voluntary</b><br><input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week<br><input type="checkbox"/> Safeguards are in place to protect worker's health and safety<br><input type="checkbox"/> Site can demonstrate exceptional circumstances<br><input type="checkbox"/> Other reasons (please specify)<br><hr/> <p>Please explain any checked boxes above</p> <hr/> <p>Not applicable</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>   | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No<br><p>If yes, please describe – Facility had recruit adequate number of workers according to their order volumes and restricts the overtime hours within legal limit.</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 checked="" type="checkbox"/> Yes<br/><input type="checkbox"/> No</p> |
|--|--|

**7: No Discrimination is Practiced**

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

**ETI**

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

**Current Systems and Evidence Examined**

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

**Current systems:**

1. Based from review of wage records and employees interview, no discrimination was noted in hiring, compensation, access to training, promotion, termination or retirement.
2. Mr. Rajeev Kumar Mishra/ General Manager – Production is responsible for the investigation and disposal of discrimination case.
3. Based from the policy and wage records review, the facility provides the same pay for male/female employees for same work of similar nature. However, no female employees were employed.

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

Details:

- Facility Policy.
- Appointment letter with terms and conditions for 10 out 10 selected samples.
- Salary and other benefit records.
- Interaction with management and Employees

Any other comments: None

|  |   |
|--|---|
| A: Gender breakdown of Management + Supervisors (Include as one combined group)  | Male: 99 %<br>Female: 00 %  |
| B: Number of women who are in skilled or technical roles e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst  | #: Nil  |
| 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<br><input type="checkbox"/> Compensation<br><input type="checkbox"/> access to training<br><input type="checkbox"/> promotion<br><input type="checkbox"/> termination or retirement<br>Not applicable |

| Professional Development  |  |
|---|--|
| A: What type of training and development are available for workers?                                     | Please give details: Facility had a system of professional development of their employees & staff based on character, attendance, any disciplinary action, involvement in training program etc., |
| B: Are HR decisions on e.g. promotion, training, compensation based on objective, transparent criteria? | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br>If no, please give details: Not applicable   |

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

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

| <b>Good Examples observed:</b>                         |   |
|--|---|
| Description of Good Example (GE):<br><br>None Observed | <b>Objective Evidence Observed:</b><br><br>Not applicable |

**8: Regular Employment Is Provided**

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

**ETI**

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

**Additional Elements: Responsible Recruitment**

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

**Current Systems and Evidence Examined**

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

**Current systems:**

1. Based on record review and employee's interview appointment letters issued to all 10 out of 10 selected employees.
2. Based from interaction with the facility management, it was noted that all employees are employed on regular basis; and no casual, contract, agency and apprentice employees were engaged.
3. Facility does not employ any migrant workers.
4. Based on interaction with employees, no recruitment fees is required at any stage of the recruitment process.

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

Details:

- Facility Policy.
- Appointment letter with terms and conditions for 10 out 10 selected samples.
- Salary and other benefit records.
- Interaction with management and Employees.

Any other comments: None

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

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

| Good Examples observed:  |  |
|--|--|
| <p><b>Description of Good Example (GE):</b><br/>           None Observed</p> | <p><b>Objective Evidence Observed:</b><br/>           Not applicable</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 &amp; Conditions presented<br/> <input checked="" type="checkbox"/> Understood by workers<br/> <input checked="" type="checkbox"/> Same as actual conditions                 </p> <p>If any are unchecked, please describe finding and specific category(ies) of workers affected: Not applicable</p>   |
| <p>B: Did workers' pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement?</p>   | <p> <input type="checkbox"/> Yes<br/> <input checked="" type="checkbox"/> No                 </p> <p>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<br/> <input type="checkbox"/> Service fees<br/> <input type="checkbox"/> Application costs<br/> <input type="checkbox"/> Recommendation fees<br/> <input type="checkbox"/> Placement fees<br/> <input type="checkbox"/> Administrative, overhead or processing fees<br/> <input type="checkbox"/> Skills tests<br/> <input type="checkbox"/> Certifications<br/> <input type="checkbox"/> Medical screenings<br/> <input type="checkbox"/> Passports/ID's<br/> <input type="checkbox"/> Work / resident permits<br/> <input type="checkbox"/> Birth certificates<br/> <input type="checkbox"/> Police clearance fees<br/> <input type="checkbox"/> Any transportation and lodging costs after employment offer<br/> <input type="checkbox"/> Any transport costs between work place and home<br/> <input type="checkbox"/> Any relocation costs after commencement of employment<br/> <input type="checkbox"/> New hire training / orientation fees<br/> <input type="checkbox"/> Medical exam fees<br/> <input type="checkbox"/> Deposit bonds or other deposits<br/> <input type="checkbox"/> Any other non-monetary assets<br/> <input type="checkbox"/> Other                 </p> |
| <p>C: If any checked, give details:</p>   | <p>Not applicable</p>   |

| <b>Migrant Workers:</b>  |   |              |
|--|---|--------------|
| <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> |   |              |
| A: Type of work undertaken by migrant workers:   | Facility does not employ any migrant workers. All employees were local.   |              |
| B: Migrant worker recruitment  | Total number of (in country recruitment agencies) used:<br>Total number of (outside of local country) recruitment agencies used<br><br>Not applicable |              |
| C: Migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and evidence of transaction is supplied by the facility to the worker.   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Please describe finding:<br><br>Not applicable   | Observations |
| D: Are Any migrant workers in skilled, technical, or management roles<br><br><b>Migrant Workers (this should include all migrant workers including permanent workers, temporary and/or seasonal workers)</b>   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><br>If Yes number and example of roles<br><br>Not applicable                           |              |

### NON-EMPLOYEE WORKERS

| <b>Recruitment Fees:</b>         |   |
|----------------------------------|---|
| A: Are there any fees            | <input type="checkbox"/> Yes<br><input checked="" type="checkbox"/> No  |
| B: If yes, check all that apply: | <input type="checkbox"/> Recruitment / hiring fees<br><input type="checkbox"/> Service fees<br><input type="checkbox"/> Application costs<br><input type="checkbox"/> Recommendation fees<br><input type="checkbox"/> Placement fees<br><input type="checkbox"/> Administrative, overhead or processing fees<br><input type="checkbox"/> Skills tests<br><input type="checkbox"/> Certifications<br><input type="checkbox"/> Medical screenings<br><input type="checkbox"/> Passports/ID's<br><input type="checkbox"/> Work / resident permits<br><input type="checkbox"/> Birth certificates<br><input type="checkbox"/> Police clearance fees<br><input type="checkbox"/> Any transportation and lodging costs after employment offer<br><input type="checkbox"/> Any transport costs between work place and home |

|                                  |   |
|----------------------------------|---|
|                                  | <input type="checkbox"/> Any relocation costs after commencement of employment<br><input type="checkbox"/> New hire training / orientation fees<br><input type="checkbox"/> Medical exam fees<br><input type="checkbox"/> Deposit bonds or other deposits<br><input type="checkbox"/> Any other non-monetary assets<br><input type="checkbox"/> Other |
| C: If any checked, give details: | Not applicable  |

| <b>Agency Workers (if applicable)</b><br><i>(workers sourced from a local agent who are not directly paid by the site, but paid by the agency, Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)</i> |   |
|---|---|
| A: Number of agencies used (average):   | And names if available:<br><br>Facility does not engage employees through agencies.                       |
| B: Were agency workers' age/pay/hours included within scope of this audit   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><br>Not applicable                         |
| C: Were sufficient documents for agency workers available for review?   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><br>Not applicable                         |
| D: Is there a legal contract / agreement with all agencies?   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><br>Details<br><br>Not applicable          |
| E: Does the site have a system for checking labour standards of agencies?<br>If yes, please give details.   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><br>Please describe:<br><br>Not applicable |

| <b>Contractors:</b><br><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>A: Any contractors on site?</p>   | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br><br>Please describe finding: If Y, how many contractors are present<br><br>At present facility working with four labour contractors as per below-<br><br>a) M/S Genius Consultants Ltd – 44 employees (Production)<br>b) M/S Intelnet E-Solution – 06 employees (Production)<br>c) M/S Bhaskar Cleaning Services – 04 employees (House keeping)<br>d) M/S Third Eye Security Guarding Pvt Ltd – 05 employees (Security). |
| <p>B: If <b>Yes</b>, how many workers supplied by contractors</p>  | Total 59 employees from 04 contractors-<br><br>a) M/S Genius Consultants Ltd – 44 employees (Production)<br>b) M/S Intelnet E-Solution – 06 employees (Production)<br>c) M/S Bhaskar Cleaning Services – 04 employees (House keeping)<br>d) M/S Third Eye Security Guarding Pvt Ltd – 05 employees (Security).   |
| <p>C: Do all contractor workers understand their terms of employment?</p>  | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No<br><br>Please describe finding: Not applicable<br><br>Not applicable  |
| <p>D: If <b>Yes</b>, please give evidence for contractor workers being paid per law:</p>   | Above the minimum wages  |

**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:**

No sub-contracting process done by facility. No home workers used by the facility.

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

- Facility Policy.
- Inward and out ward material register.
- Production records.
- Interaction with management.

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

| <i>Process Subcontracted</i> | <i>Process 1</i> | <i>Process 2</i> |
|------------------------------|------------------|------------------|
| <i>Name of factory</i>       | <i>None</i>      | <i>None</i>      |
| <i>Address</i>               |                  |                  |

Details: Not applicable

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

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

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

| <b>Summary of sub-contracting – if applicable</b><br><input type="checkbox"/> Not Applicable please x  |  |
|--|--|
| A: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work hours or undeclared sub-contracting | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br>Please describe: Not applicable                   |
| B: If sub-contractors are used, is there evidence this has been agreed with the main client?   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br>If <b>Yes</b> , summarise details: Not applicable |
| C: Number of sub-contractors/agents used   | Not applicable   |
| D: Is there a site policy on sub-contracting?  | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br>If <b>Yes</b> , summarise details: Not applicable |
| E: What checks are in place to ensure no child labour is being used and work is safe?  | Not applicable   |

| <b>Summary of homeworking – if applicable</b><br><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<br><input type="checkbox"/> No<br>If <b>Yes</b> , summarise details:<br><br>Not applicable – Facility is not using any Home workers. |           |           |
| B: Number of homeworkers   | Male: Nil   | Male: Nil | Male: Nil |
| C: Are homeworkers employed direct or through agents?  | <input type="checkbox"/> Directly<br><input type="checkbox"/> Through Agents<br><br>Not applicable  |           |           |
| D: If through agents, number of agents   | Not applicable  |           |           |
| E: Is there a site policy on homeworking?  | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><br>Not applicable   |           |           |
| F: How does site ensure worker hours and pay meet local laws for homeworkers?                                | Not applicable  |           |           |

|  |  |
|--|--|
| <p>G: What processes are carried out by homeworkers?</p>         | <p>Not applicable</p>  |
| <p>H: Do any contracts exist for homeworkers</p>                 | <p> <input type="checkbox"/> Yes<br/> <input type="checkbox"/> No<br/><br/>                     Please give details:<br/><br/>                     Not applicable                 </p> |
| <p>I: Are full records of homeworkers available at the site?</p> | <p> <input type="checkbox"/> Yes<br/> <input type="checkbox"/> No<br/><br/>                     Not applicable                 </p>  |



**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&amp;S or any other grievances to a 3<sup>rd</sup> party?</p>                                      | <p><input checked="" type="checkbox"/> Yes<br/> <input type="checkbox"/> No<br/>                 Please describe: Facility had Anti sexual harassment committee and the grievance was directly to them if any.</p>  |
| <p>B: If <b>Yes</b>, are workers aware of these channels and have access? Please give details.</p>   | <p>Facility Anti sexual harassment committee will communicate the details to their employees in their respective section and workers are aware of these channels and have access to the same. Last meeting conducted on dated 25/04/2018. However, no external member from non-governmental organizations or associations committed to the cause of women or a person familiar with the issues relating to sexual harassment in time.</p> |
| <p>C: If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.</p>  | <p>Direct communication during meeting</p>  |
| <p>D: Is there a grievance mechanism in place for:</p>   | <p><input checked="" type="checkbox"/> Workers<br/> <input checked="" type="checkbox"/> Communities<br/> <input checked="" type="checkbox"/> Suppliers<br/> <input type="checkbox"/> Other<br/>                 Details: Facility had effective grievance mechanism in place where workers, communities &amp; suppliers can express their grievance through Suggestion box, Hot line, Committee meetings etc.</p>                         |
| <p>E: Are there any open disputes?</p>   | <p><input type="checkbox"/> Yes<br/> <input checked="" type="checkbox"/> No<br/>                 If yes, please give details - Not applicable</p>   |
| <p>F: Does grievance mechanism meet with UNGP requirement of e.g. (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)?</p> | <p><input checked="" type="checkbox"/> Yes<br/> <input type="checkbox"/> No<br/>                 If no, please give details - Not applicable</p>  |

|   |  |
|---|--|
| <p>G: Does the site \ encourage its business partners (e.g., suppliers) provide individuals and communities with access to effective grievance mechanisms (e.g., help lines or whistle blowing mechanism)</p> | <p><input checked="" type="checkbox"/> Yes<br/> <input type="checkbox"/> No<br/>                 If No Please give details - Not applicable</p>  |
| <p>H: Is there a published and transparent disciplinary procedure</p>   | <p><input checked="" type="checkbox"/> Yes<br/> <input type="checkbox"/> No<br/>                 If No please explain - Not applicable</p>       |
| <p>I: If yes, are workers aware of these the disciplinary procedure</p>   | <p><input checked="" type="checkbox"/> Yes<br/> <input type="checkbox"/> No<br/>                 If no please give details - Not applicable</p>  |
| <p>J: Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)</p>   | <p><input type="checkbox"/> Yes<br/> <input checked="" type="checkbox"/> No<br/>                 If Yes please give details - Not applicable</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:**

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

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

Details:

- Facility Policy
- Interaction with management and Employees

Any other comments: None

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

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

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

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

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

**Additional Elements**

10A.1 Only workers with a legal right to work shall be employed or used by the supplier.  
 10A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

**Current Systems and Evidence Examined**

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

**Current systems:**

1. Based from the review of employee attendance records and employee's interview, the facility has not employed any foreign nationals.
2. Based from the review of employee personal files, all the employees are holding the legal rights to work.

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

Details:

Interaction with Management and Employees

Any other comments: None

**Non-compliance:**

**1. Description of non-compliance:**

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

None Observed

**Local law and/or ETI requirement**

Not applicable

**Recommended corrective action:**

Not applicable

**Objective evidence observed:**

*(where relevant please add photo numbers)*

Not applicable

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

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

**10. Other issue areas 10B2: Environment 2-Pillar**

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

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

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

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

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

**Current Systems and Evidence Examined**

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

**Current systems:**

1. The facility is aware of legal requirements related to environment and the facility has established the Environment policy and procedures.
2. The facility has assigned Mr. Rajeev Kumar Mishra/ General Manager – Production as the responsible person to ensure that environmental activity is carried out in a proper manner.
3. The Air & Water Combined Consent (Memo – 59-sl-CO-O/09/0379) obtained from West Bengal State Pollution Control Board under Water Act 1974 and Air Act 1981 valid till 30/06/2022.
4. Facility had conducted stack emission test, ambient air, noise monitoring, effluent water test on dated 08/05/2018 on dated 20/04/2017 from Envirocheck.

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

Details:

- Facility Policy.
- Environmental training provided on dated 25/04/2018
- Facility had taken for pollution consent to establish, however for hazardous waste storage permission not obtained
- Interaction with management and Employees.

Any other comments: None

| Non-compliance-#1  |  |
|--|--|
| <p><b>Description of non-compliance:</b><br/> <input checked="" type="checkbox"/> NC against ETI      <input checked="" type="checkbox"/> NC against Local Law      <input type="checkbox"/> NC against customer code:</p> <p>During document review and management interaction it was noted that facility had not obtained hazardous waste storage permission from the concerned authority (West Bengal Pollution Control Board). It was noted that facility had applied for the permission on dated 06/02/2017.</p> <p><b>Local law:</b></p> <p>Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, ING HAZARDOUS WASTES 5. Grant of authorization for handling hazardous wastes. (3) Every person engaged in generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or the like of the hazardous waste or occupier of the facility shall make an application in Form 1 to the State Pollution Control Board for authorization within a period of sixty days from the date of commencement of these rule.</p> <p><b>ETI requirement:</b></p> <p>10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.</p> <p><b>Recommended corrective action:</b></p> <p>It is recommended to the facility to obtain hazardous storage permission from the pollution West Bengal Pollution Control Board.</p> <p><b>Action by :</b> Mr. Rajeev Kumar Mishra/ General Manager – Production</p> <p><b>Time Scale :</b> 30 days</p> <p><b>Verification Method :</b> Desktop</p> | <p><b>Objective evidence observed:</b><br/> <i>(where relevant please add photo numbers)</i></p> <p>During document review and management</p> <p><b>Noncompliance photo – Not applicable</b></p> |

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

| Good examples observed:                                |   |
|--|---|
| Description of Good Example (GE):<br><br>None Observed | <b>Objective Evidence Observed:</b><br><br>Not applicable |

| Other Findings Outside the Scope of the Code |
|--|
| None Observed                                |

| Community Benefits<br><i>(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)</i> |
|---|
| None Observed   |



## Appendix 1

|  |  |
|--|--|
| <p><b>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."</b></p> <p><input checked="" type="checkbox"/> Not Applicable please x</p>  |  |
| <p><b>NOTE:</b> The provisions of the ETI base Code constitute minimum and not maximum standards, and this code should not be used to prevent companies from exceeding these standards. Companies applying the ETI Base Code are expected to comply with national and other applicable law and, where the provisions of law and the ETI Base Code address the same subject, to apply that provision which affords the greater protection.</p>  | <p><b>Instruction to Audit Company:</b> fill in the relevant clauses from the Customer Supplier Code - where applicable.</p> |
| <p><b>ETI Code / Additional Elements</b></p>   | <p><b>Customer's Supplier Code equivalent</b></p>  |
| <p><b>0.A. Universal Rights covering UNGP</b></p>  | <p><b>0.A. Universal Rights covering UNGP</b></p>  |
| <p><b>0.A. Guidance for Observations</b><br/>           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.<br/>           0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights<br/>           0.A.3 Businesses shall identify their stakeholders and salient issues.<br/>           0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.<br/>           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.<br/>           0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter.</p> |  |
| <p><b>0.B. Management Systems &amp; Code Implementation</b></p>  | <p><b>0.B. Management Systems &amp; Code Implementation</b></p>  |
| <p>0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.<br/>           0.2 Suppliers shall appoint a senior member of</p>  |  |

|   |  |
|---|--|
| <p>management who shall be responsible for compliance with the Code.<br/>         0.3 Suppliers are expected to communicate this Code to all employees.<br/>         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><b>ETI 1. Forced Labour</b></p>  | <p><b>ETI 1. Forced Labour</b></p>   |
| <p>1.1 There is no forced, bonded or involuntary prison labour.<br/>         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><b>ETI 2. Freedom of association and the right to collective bargaining are respected</b></p>  | <p><b>ETI 2. Freedom of association and the right to collective bargaining are respected</b></p> |
| <p>2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.<br/>         2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.<br/>         2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.<br/>         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><b>ETI 3. Working conditions are safe and hygienic</b></p>   | <p><b>ETI 3. Working conditions are safe and hygienic</b></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.<br/>         3.2 Workers shall receive regular and recorded Health &amp; Safety training, and such training shall be repeated for new or reassigned workers.<br/>         3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.<br/>         3.4 Accommodation, where provided, shall be</p> |  |

|  |  |
|--|--|
| <p>clean, safe, and meet the basic needs of the workers.</p> <p>3.5 The company observing the code shall assign responsibility for Health &amp; Safety to a senior management representative.</p>  |  |
| <p><b>ETI 4. Child labour shall not be used</b></p>  | <p><b>ETI 4. Child labour shall not be used</b></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 emale or in hazardous conditions.</p> <p>4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.</p>   |  |
| <p><b>ETI 5. Living wages are paid</b></p>   | <p><b>ETI 5. Living wages are paid</b></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><b>ETI 6. Working Hours are not excessive</b></p>   | <p><b>ETI 6. Working Hours are not excessive</b></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</p>   |  |

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

|  |  |
|--|--|
| <p>obligations be avoided through the excessive use of fixed-term contracts of employment.</p> <p><b>Additional Elements: Responsible Recruitment</b></p> <p>8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.</p> <p>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.</p> <p>8.5 Employment agencies must only supply workers registered with them.</p> <p>8.6 Workers pay no recruitment fee at any stage of the recruitment process.</p> <p>8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.</p> |  |
| <p><b>8A: Sub-Contracting and Homeworking</b></p>  | <p><b>8A: Sub-Contracting and Homeworking</b></p>              |
| <p>8A.1 There should be no sub-contracting unless previously agreed with the main client.</p> <p>8A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.</p>   |  |
| <p><b>ETI 9. No harsh or inhumane treatment is allowed</b></p>   | <p><b>ETI 9. No harsh or inhumane treatment is allowed</b></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.</p> <p>Additional elements:</p> <p>9.2 companies should provide access to a confidential grievance mechanism for all workers</p>  |  |
| <p><b>10. Other Issue areas: 10A: Entitlement to Work and Immigration</b></p>  |  |
| <p><b>Additional Elements</b></p> <p>10A.1 Only workers with a legal right to work shall be employed or used by the supplier.</p> <p>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><b>10. Other issue areas 10B2: Environment 2-Pillar</b></p>   |  |

|   |  |
|---|--|
| <p>10B2.1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.</p> <p>10B2.2 The supplier should be aware of and comply with their end clients' environmental requirements.</p> <p><i>Note for auditors and readers, This is not a full environmental assessment but a check on basic systems and management approach.</i></p> |  |
|---|--|

| SMETA Extra Sections for 4 Pillar Audit:  | SMETA Extra Sections for 4 Pillar Audit: |
|---|--|
| Environment Section   | Environment Section                      |
| <p><b>B.4. Compliance Requirements</b></p> <p>10B4.1 Businesses as a minimum must meet the requirements of local and national laws related to environmental standards.</p> <p>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.</p> <p>10B4.3 Businesses shall be aware of their end client's environmental standards/code requirements</p> <p>10B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.</p> <p>10B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.</p> <p>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).</p> <p>10B4.7 Businesses shall make continuous improvements in their environmental performance.</p> <p>10B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation</p> <p>10B4.9 Businesses should have a nominated individual responsible for co-ordinating the site's efforts to improve environmental performance.</p> <p><b>B4. Guidance for Observations</b></p> <p>10B4.10 Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.</p> <p>10B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.</p> |  |
| Business Practices Section  |  |

**10C. Compliance Requirements**

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

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

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

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

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

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













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

**10C. Guidance for Observations**

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

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

**Photo Form**

|   |   |   |
|---|---|---|
|    |    |    |
| <p>Facility name; address</p>   | <p>Anti child labour policy displayed</p>   | <p>Facility building</p>  |
|   |   |   |
| <p>Facility notice board</p>  | <p>Social polices displayed</p>   | <p>Assembly point</p>   |
|  |  |  |
| <p>Sprinkler system</p>   | <p>Fire extinguisher</p>  | <p>Fire hydrant, hose reel</p>  |
|  |  |  |
| <p>Fire alarm call point</p>  | <p>Fire alarm control panel</p>   | <p>Evacuation plan displayed</p>  |



|   |   |   |
|---|---|---|
|    |    |    |
| <p>Emergency light with exit sign</p>   | <p>Exit sign in stair case</p>  | <p>Aisles mark</p>  |
|    |    |    |
| <p>Drinking water point</p>   | <p>Electric panel – Rubber mat provided</p>   | <p>Compressor</p>   |
|  |  |  |
| <p>Diesel generator</p>   | <p>Toilet</p>   | <p>First aid box</p>  |
|  |  |  |
| <p>Sampling section</p>   | <p>Cutting section</p>  | <p>Skiving section</p>  |

|   |   |  |
|---|---|--|
|    |   |   |
| Stitching section   | Assembly section  | Assembly section   |
|    |   |   |
| Assembly section  | Final checking  | Eye wash station   |
|   |  |  |
| Chemical store with MSDS  | Moulding machine  | Onsite laboratory  |
|  |   |  |
| Finished Good storage   | Nil   | Nil  |

## Non-Compliance Photo

|   |  |   |
|---|--|---|
|  |     |  |
| <p>1. Exit door passage partially blocked with water can- first floor</p>         | <p>2. Exit door passage partially blocked with production material- second floor</p> | <p>3. Exit door inward opening- first floor</p>                                     |

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End of report.



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