



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details			
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC422238344	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS422238346
Business name (Company name):	AMBIKA COTTON MILLS LIMITED-UNIT-IV		
Site name:	AMBIKA COTTON MILLS LIMITED-UNIT-IV		
Site address:	S. F. No. 462/2A, 467/1B, 2,3,4,5, 468/1A, 6A, 489/1, 2, 3A, 4, 6, 469/1 ELLAIPATTI-KANNIYAPURAM ROAD, DINDIGUL 624308 IN	Country:	IN
Site contact and job title:	Mr. G. Veera Kumar / General Manager - Admin		
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input type="checkbox"/> Environment 4-pillar
			<input type="checkbox"/> Business Ethics
Date of Audit:	2022-12-27		

Audit Company Name:
Accordia Global Compliance Group Asia Limited

Audit Conducted By					
Affiliate Audit Company	<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 6.1 (March 2019) 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.

Auditor Team			
Lead Auditor:	Subiah Ganapathi	APSCA Number:	21704311
Additional Auditors:			
Date of declaration:	2022-12-29		

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.

Site Representation	
Full Name:	Mr. G. Veera Kumar
Title:	General Manager - Admin
Date of declaration:	2022-12-29
Comments:	No comments

Summary of Findings

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i>	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
<u>0A - Universal rights covering UNGP</u>			0	0	0	
<u>0B - Management systems and code implementation</u>			0	0	0	
<u>1 - Freely chosen employment</u>			0	0	0	
<u>2 - Freedom of association and right to collective bargaining are respected</u>			0	0	0	
<u>3 - Working conditions are safe and hygienic</u>	3.2		1	1	0	NC - ZAF600009038 Obs - ZAF600009037
<u>4 - Child labour shall not be used</u>			0	0	0	
<u>5 - Living wages are paid</u>			0	0	0	
<u>6 - Working hours are not excessive</u>			0	0	0	
<u>7 - No discrimination is practiced</u>			0	0	0	
<u>8 - Regular employment is provided</u>			0	0	0	
<u>8A - Subcontracting and homeworking</u>			0	0	0	
<u>9 - No harsh or inhumane treatment is allowed</u>			0	0	0	
<u>10A - Entitlement to work and immigration</u>			0	0	0	
<u>10B2 - Environment 2-pillar</u>			0	0	0	
<u>10B4 - Environment 4-pillar</u>			0	0	0	
<u>10C - Business ethics 4-pillar</u>			0	0	0	

Site Details

Site Details			
Company Name	AMBIKA COTTON MILLS LIMITED-UNIT-IV		
Site Name	AMBIKA COTTON MILLS LIMITED-UNIT-IV		
GPS location (if available)	GPS Address:	10.1539.5N	
	Coordinates:	78.0545.8E	
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Factory license: DGL01134/26.12.2022, Valid till 31st Dec 2023, Building lay out approval Num, Nimu - A, 1155/2017, dtd 7th Mar 2017, Fire NOC - 1006/2022 / 26th Oct 2022, Sanitary Certificate - 8377/A1/2022 dt 17th Dec 2022 valid for one year, Womens Hostel License issued by the District Collector on 20.03.2022 can accomodate 350 inmates maximum.		
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Mixing, Blow room, Carding, Comber, Drawing, Simplex, Spinning, Conewinding, Yarn condition, Packing and Dispatch		
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	Manufacture and Export of cotton Yarn		
Structure and number of buildings	Building Name:	Unit IV	
	Floor	Description	Remark
	Ground floor	Raw cotton storage, Mixing, Blow room, Carding, Comber, Drawing, Simplex, Spinning, Cone winding, Yarn Condition, Packing and despatch.	100% Export oriented unit
	Periphery	Security, employee parking, Ambulance, Generator, Compressor room, Diesel Storage, Assembly Point, Gents and Ladies toilets and Restrooms, Dinning hall, Creche	All outside production building
Visible structural integrity issues (large cracks) observed?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: All the walls and the whole structure were found with no cracks.		
Does the site have a structural engineer evaluation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Building Stability certificate available - HSC/210/2022, Dt 27th Dec 2022. Issued by an Competent person Er. M. Loganathan, valid for three years.		

Site function	<input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack house <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-contractor
Months of peak season	Select a month to Select a month
Process overview	100 percent Comped Compact Single yarn, Elli twist.
What form of worker representation is there on site?	<input type="checkbox"/> Union <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other <input type="checkbox"/> None
Please give details:	There is no trade union found in the facility, hence the workers elect representatives themselves. Election processes were verified, election conducted on 04.Jan.2022 by ballot paper method. 13 workers were elected including hostel occupants.
Is there any night production work at the site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there any on site provided worker accommodation buildings	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: 4%
Are there any off site provided worker accommodation buildings	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: 4%
Were all site provided accommodation buildings included in this audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:

Audit Parameters

Time in and time out	Day 1		Day 2		Day 3	
	In	09:20	In	06:00	In	09:15
	Out	18:00	Out	14:30	Out	17:40
Audit type:	Full initial					
Was the audit announced?	SEMI_ANNOUNCED					
Was the Sedex SAQ available for review?	Yes					
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No					
Who signed and agreed CAPR	Mr. G. Veera Kumar / General Manager - Admin					
Is further information available	No					

Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	No	No
C: Present at the closing meeting?	Yes	Yes	No
<i>Reason for absence at the opening meeting</i>	There is no union present		
<i>Reason for absence during the audit</i>	Representatives working in different shifts,		
<i>Reason for absence at the closing meeting</i>	No trade union present in the facility		

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 or permanent resident 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	216	0	9	10	0	0	0	235
Worker numbers – female	580	0	0	0	0	0	0	580
Total	796	0	9	10	0	0	0	815
Number of Workers interviewed – male	13	0	1	1	0	0	0	15
Number of Workers interviewed – female	27	0	0	0	0	0	0	27
Total – interviewed sample size	40	0	1	1	0	0	0	42

Nationalities Structure	
Nationality of Management	Indian
Please list the nationalities of all workers, with the three most common nationalities listed first.	Nationality 1: Indian approx %: 100%
Was this list completed during peak season?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Worker remuneration	Workers on piece rate: 0%
	Paid hourly: 0%
	Salaried: 100%
Payment cycle	Paid daily: 0%
	Paid weekly: 0%
	Paid monthly: 100%
	Other: 0%
	Details for other: Nil

Worker Interview Summary	
Were workers aware of the audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Number of group interviews:	5
Number of individual interviews:	Male: 5 Female: 12
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.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
What was the most common worker complaint?	No complaint, all the interviewed workers were happy with the work environment
What did the workers like the most about working at this site?	Working environment, social security, equality
Any additional comment(s) regarding interviews:	Workers happy with the work environment, timely payment, and benefits, Bonus received 13.25% on last year earned total wage
Attitude of workers to hours worked:	Satisfied
Is there any worker survey information available?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Living wages survey taken by the management,

Attitude of workers:
Positive
Attitude of worker's committee/union reps:
Active involvement by the workers representatives. All the interviewed employees able to identify their representative.
Attitude of managers:
Soft and encouraging

0A - Universal Rights covering UNGP
[Summary of Findings]

0A: Compliance Requirements

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:

Facility has developed a policy covering human rights impacts and issues and communicated to all appropriate parties.

Mr G Veera Kumar, GM Admin, is the responsible person to implementing standards concerning the human rights.

Evidence examined:

The management has displayed the policy in the notice board, also maintaining the policy and procedure related to human rights.

Appointment letter of the designated person to implement the standard concerning the human rights

Any other comments:

Nil

Policy statement that expresses commitment to respect human rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Facility has developed a policy towards the commitment to respect human rights and displayed the same in the notice board for understanding of their employees
Are the policies included in workers' manuals?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: It has included in the workers training and Initial trainings
Does the business have a designated person responsible for implementing standards concerning Human Rights?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Mr. G. Veera Kumar, GM Admin

<p>Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Suggestion/ Complaint boxes had been provided at conspicuous places in the facility through which workers express their suggestion / complaints if any</p>				
<p>Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>				
<p>Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>The privacy of the workers' information was found to be maintained throughout the business module of the company</p>				
<p>Measuring Workplace Impact</p>					
<p>Annual worker turnover(Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover))</p>	<table border="0"> <tr> <td>Last year</td> <td style="text-align: right;">3%</td> </tr> <tr> <td>This year</td> <td style="text-align: right;">3%</td> </tr> </table>	Last year	3%	This year	3%
Last year	3%				
This year	3%				
<p>Current % quarterly (90 days) turnover(Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1st day of 90 day period + number of employees on the last day of the 90 day period) / 2])</p>	<p>3%</p>				
<p>Annual % absenteeism(Number of days lost through job absence in the year / [(number of employees on 1st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year)</p>	<table border="0"> <tr> <td>Last year</td> <td style="text-align: right;">4%</td> </tr> <tr> <td>This year</td> <td style="text-align: right;">4%</td> </tr> </table>	Last year	4%	This year	4%
Last year	4%				
This year	4%				
<p>Quarterly (90 days) % absenteeism(Number of days lost through job absence in the period / [(Number of employees on 1st of the period + Number of employees on the last day of the period) / 2] * Number of available workdays in the month)</p>	<p>4%</p>				
<p>Are accidents recorded?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>As per the accident register it is found no accidents. Ensured through worker interview.</p>				
<p>Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)</p>	<table border="0"> <tr> <td>Last year</td> <td style="text-align: right;">0%</td> </tr> <tr> <td>This year</td> <td style="text-align: right;">0%</td> </tr> </table>	Last year	0%	This year	0%
Last year	0%				
This year	0%				

Quarterly (90 days) number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	0%	
Lost day work cases per 100 workers([(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers)	Last year	0%
	This year	0%
% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0%
	12 month	25%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0%
	12 month	0%

0B - Management Systems and code Implementation
[Summary of Findings]

0B: Compliance Requirements

- 0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
- 0.B.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
- 0.B.3 Suppliers are expected to communicate this Code to all employees.
- 0.B.4 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.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:

- A Social Accountability Policy has been defined by the company for delivering compliance to the ETI Code.
- The company has committed itself to confirm to all the requirements of ETI Base Code and applicable local laws. The said Policy had been displayed in company notice board, in English.
- Mr. G Veera Kumar, GM - Admin, of the company had been appointed as the responsible person for the implementation of ETI code requirements.
- The awareness on the elements of the code was found to be adequate among the employees.

Evidence examined:

- ETI training record

Any other comments:

NIL

Management Systems

In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: None found
Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Company having policy and procedure to control the child labour, forced labour, discrimination, harassment and abuse. Training been given periodically to all the workers through external experts to all the workers and managers.
If Yes, is there evidence (an indication) of effective implementation? Please give details.	Training materials verified and it had the subjects of Child, forced, discrimination and harassment and abuse. NGO M/s Agasthia Trust, Dindigul - working on empowerment of working women. Visiting the facility once a month to train the workers and observe workers grievance if any.
Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: ETI base code training and Harassment & abuse training

<p>If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>ETI base code training planned once in two months latest on 29.11.22 and Harassment & abuse training planned monthly by NGO, latest on 24.11.2022</p>
<p>Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>GOTS</p>
<p>Is there a Human Resources manager/department?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Mr. Ananda Jothi HR Head, Mr. Veera kumar - GM Admin</p>
<p>Is there a senior person /manager responsible for implementation of the code?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Mr. G. Veera Kumar, General Manager - Admin is responsible for implementation of the code</p>
<p>Is there a policy to ensure all worker information is confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Company has IT policy</p>
<p>Is there an effective procedure to ensure confidential information is kept confidential?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Policies and Procedures available HR head is responsible for the policy implementation.</p>
<p>Are risk assessments conducted to evaluate policy and procedure effectiveness?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Process wise risk assessments available dated 17.04.2022, and reviewed latest on 27.12.2022,</p>
<p>Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>as per the risk mitigation plan the PPE is provided</p>
<p>Does the facility have a policy/code which require labour standards of its own suppliers?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Supplier risk assessment available and based on that supplier monitoring plan available.</p>
<p>Land Rights</p>	
<p>Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Own land in the name of the organisation.</p>

<p>Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Internal audit conducted once in six months, latest done on 06.11.2022</p>
<p>Does the site have a written policy and procedures specific to land rights?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details: Policy and procedure in place</p>
<p>Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: Not applicable</p>
<p>Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: Not applicable</p>
<p>Is there any evidence of illegal appropriation of land for facility building or expansion of footprint?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details: All the buildings were as per the approved building layout plan.</p>

1 - Freely chosen Employment
[Summary of Findings]

1: Compliance Requirements
 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:

- Through interview with the employees and review of documents, it was noted that workers are recruited through a personal interview and the job application clearly indicated that each applicant is seeking job voluntarily.
- There is no presence of any prison labour at the workplace.
- Factory had documented policy against forced, bonded or involuntary labour.

Evidence examined:

- The factory has drafted Anti Forced and bonded labour policy and displayed in the prominent place in the factory.
- Through interview with the employees and review of documents, it was noted that workers are recruited through a personal interview and the job application clearly indicated that each applicant is seeking job voluntarily.

Any other comments:

Nil

Is there any evidence of retention of original documents, e.g. passports/ID’ (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of a loan scheme in operation (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Is there any evidence of retention of wages / deposits (If yes, please give details and category of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Are there any restrictions on workers’ freedom to terminate employment?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Certified standing order available, issued by the Jt commissioner of labour, Madurai - Number D/10227/2007 dt 26th Dec. 2007. All the resignation, terminations are as per the Standing order
If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a ‘modern day slavery statement?’	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details: NA

<p>Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>Workers can move their workplace after the regular work shift. OT optional, as per the industrial practice if a reliever not come for the duty the exiting employee can continue to work if he is okay with the overtime.</p>
<p>Does the site understand the risks of forced / trafficked / bonded labour in its supply chain</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable</p> <p>Please give details:</p> <p>Supplier risks identified and mitigation plan available based on that the client sending ETI codes and self assessment check list, to all the suppliers</p>
<p>Is the site taking any steps taking to reduce the risk of forced / trafficked labour?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Training given frequently by the external experts</p>

2 - Freedom of Association and Right to Collective Bargaining are Respected
[Summary of Findings]

2: Compliance Requirements

- 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:

- Workers without distinction, have the right to join any union or form trade unions of their own choosing and to bargain collectively.
- Factory had provided confidential suggestion box for the workers in which workers can put their suggestions and complaints without any fear.
- There was no evidence of suppression of workers' rights.
- No union exists in the factory.
- The factory has a policy of supporting and protecting freedom of association of their employees.
- A works committee, grievances committee represented by workers from all departments is functional in the factory. These representatives of committees are nominated by employees.

Evidence examined:

Through interview with the employees and review of documents, it was noted that workers are free to raise their concerns and problems and management found to be very supportive by taking necessary action where and when required.

Any other comments:

Nil

What form of worker representation/union is there on site? (Please add the name of the union or committee in the textbox)	<input type="checkbox"/> Union <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> None
Other details:	Elected workers committee exists, Election date 04.Jan.2022, meets once in two months	
Is it a legal requirement to have a union?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Is it a legal requirement to have a worker's committee?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Suggestion boxes had been provided at conspicuous places in the facility through which workers express their suggestion / complaints if any. The suggestion boxes are opened periodically in the presence of worker committee representative. On receipt of any suggestions or complaints, actions are intended to be taken and to record the same in a register.	
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: The company has freedom of association policy and displayed the workers to FOA and representative collective bargaining on behalf of them. Elected worker committee functioning effectively. Ensured through workers interview and committee meeting minutes.
Name of union and union representative, if applicable:	No trade union functioning in the organization
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Workers committee functioning with 13 worker representatives. And it meets once in two months
Is there evidence of free elections?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable
Are all workers aware of who their representatives are?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: All interviewed workers able to identify their worker representative
Were worker representatives freely elected?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Date of last election:	2022-01-05
Do workers know what topics can be raised with their representatives?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were worker representatives/union representatives interviewed?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If Yes, please state how many:	2.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	Meeting minutes verified
Are any workers covered by Collective Bargaining Agreement (CBA)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

3 - Working Conditions are Safe and Hygienic
[Summary of Findings]

3: Compliance Requirements

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

Current Systems and Evidence Examined

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

Current Systems:

- Factory was neat and clean and with adequate lighting arrangements and well ventilated.
- Emergency exits are identified, marked.
- Fire evacuation drills were conducted once in 2 months
- Fire evacuation plans are displayed in English language and in the local language at all sections of the factory.
- Factory has provided 80 fire extinguishers, Fire Alarm – 35, Emergency Light – 60, Hose Reel – 10, Exit Signs – 55, Evacuation Map – 20, Hydrant points - 20
- 50 persons are trained on use of firefighting equipment including hostel inmates and warden.
- Adequate number of persons (50) was trained for first aid including hostel inmates and warden.
- Accidents / injuries records are maintained.
- The facility has a policy on health and safety, which was found to be suitable.
- Health & Safety Committee meeting was conducted once in three months, latest on 23rd Oct 2022 and discussed regarding health and safety issue and remedy.
- Safety signage was posted in various departments.
- The facility has provided 24 X 7 security arrangements.
- The facility has appointed Mr A Ananda Jothi– HR Manager and Mr. Selva Nagaraj-Safety officer, who are responsible for H&S at work.
- Factory has provided 20 Urinals and 15 Seats for male toilet and 45 Seats for female toilet. The same has been provided and maintained in the hostel.

Evidence examined:

- Health and safety policy, Health, and safety committee minutes
- Training records and certificates for fire and first aid, Fire equipment maintenance records
- Fire drill records for factory and hostel inmates
- Fire license, Stability certificate for the building, Building approval, etc available for factory as well as the hostel.

Any other comments:

Nil

Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?

Yes No

Please give details:

H& S Policies and procedures available. Induction training documents available in each employee files

<p>Are the policies included in workers' manuals?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility had included the ethical compliance policies in worker's induction training materials.</p>
<p>Are there any structural additions without required permits/inspections (e.g. floors added)?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Please give details:</p> <p>None observed</p>
<p>Are visitors to the site informed on H&S and provided with personal protective equipment?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Earmuff, head mask, face mask provided during the facility tour</p>
<p>Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate))</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Medical room available with trained nurse. Ambulance van with amenities available</p>
<p>Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>60 workers were trained for First aid covering all shifts and department. Facility appointed qualified nurse in the workplace as well in the hostel.</p>
<p>Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>All the worker transport vehicles were inspected by the government transport authorities and the drivers having the licenses to drive passenger vehicles.</p>
<p>Is secure personal storage space provided for workers in their living space and is fit for purpose?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>During the facility tour that the facility provided food storage in the lunch hall, however it is not sufficient to the workers present. It is observed many workers lunch bags found in the floor. As per the management this was due to the maintenance work going on in the dining hall hence the racks were removed from the hall. Before the day they reinstall the racks inside the dining hall.</p>
<p>Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Its available and mitigation plan available. Company provided rest rooms with all amenities for the workers to take rest and go home</p>
<p>Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>TNPCB permit for Air and Water act available. Consent order number 1808112554034 dt 03. May.2018 valid till 31st Mar 2024.</p>

Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?

Yes No

Please give details:

No chemicals used. Only domestic cleaning agents used for floor and toilet cleanings. The cleaning liquids were kept in isolated areas and the related MSDS were posted near the storage area.

Non-Compliance		Evidence
[Back to findings summary]		
Non-Compliance		
Reference	ZAF600009038	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	278 - Personal Protective Equipment (PPE) provided but incidents of workers not using PPE where appropriate	
Subcategory	Personal Protective Equipment/Clothing	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input checked="" type="checkbox"/> Training <input type="checkbox"/> Costs <input type="checkbox"/> Other <input checked="" type="checkbox"/> System <input type="checkbox"/> Lack of workers	
Root cause - Other		
ETI code	3.2 - Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.	
Explanation to the non compliance	During the facility tour it is observed that 10 out of 50 workers found without using the earplugs, in the spinning department. However, the facility had provided the ear plugs..	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended that the facility ensure all the worker wearing appropriate PPE during their work.	

Observation		Evidence
[Back to findings summary]		
Observation		
Reference	ZAF600009037	
Clause	3 - Working Conditions are Safe and Hygienic	
Issue Title	328 - No secure facilities for workers to store personal effects while working	
Subcategory	Hygiene Facilities & Housekeeping	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Explanation to the observation	During the facility tour, it was noted that in the dining hall workers lunch bags were seen lying in the floor. However, there was some renovation work going in that hall and the racks were removed and kept outside the hall.	
Actions	Before starting of any kind of renovation work there must be some alternative arrangements to be provided.	

4 - Child Labour Shall Not Be Used
[Summary of Findings]

- 4: Compliance Requirements
 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:

- The establishment has posted “No child labour” board at the main gate.
- All workers have been interviewed and each individual worker stated that they are above 18 years of age.
- Top management has been interviewed and said that they verify the age of worker before hiring them and keep a valid age proof of each employee.
- There is no evidence of child labour employment was found at the time of audit

Evidence examined:

Auditor has seen the child labour policy which factory has displayed at main notice board and outside of the factory. For ensuring no child labour in the factory, factory has maintained age proof in all personal files in form of school leaving certificated, Voter ID cards, Aadhar Cards or dental age proof and auditor has verified 42 personal files.

Any other comments:

Nil

Legal age of employment:	14
Age of youngest worker found:	19
Are there children present on the work floor but not working at the time of audit?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Percentage of under 18's at this site (of total workers)	0%
Are workers under 18 subject to hazardous work assignments?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: Not applicable

5 - Living Wages are Paid
[Summary of Findings]

5: Compliance Requirements

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. There is no legal minimum wage for this spinning mill industry, But the facility is paying the industrial practiced wages. Based on review of wage records, the facility has paid the industry applicable wages to all the employees.
2. Based on employee's interview, wages are fixed on daily rated, calculated and paid on monthly basis on or before 07th of every month.
3. Based on employee's interview, wage slips are provided to all the employees and employees are aware of their wage calculations.
4. Based on wage record review, all employees were covered under social security benefit of employee's state insurance (past two months), employee provident fund.
5. Deductions from wages as a disciplinary measure and any other illegal deductions are not permitted as per the facility rules/procedures.
6. 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.

Evidence examined:

Auditor has verified 3 months i.e., Dec 2021, June 2022, and Nov 2022 records of Wages records, Time records, Leave records, Wages slip, muster roll and social benefits records such as Provident Fund and employees state insurance of each employee.

Any other comments:

NIL

Summary Information

Criteria	Local Law	Actual at the Site	Is this part of a Collective Bargaining Agreement?
Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal Maximum Per Day: 8.0 Per Week: 48.0 Per Month: null	Actual Per Day: 12.0 Per Week: 60.0 Per Month: 231.0	NO
Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal Maximum Per Day: 4.0 Per Week: 12.0 Per Month: null	Actual Per Day: 12.0 Per Week: 60.0 Per Month: 231.0	NO

Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: null	Actual Per Day: 370.0 Per Week: 2220.0 Per Month: 9620.0	NO
Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: null Per Week: null Per Month: null	Actual Per Day: 370.0 Per Week: 2220.0 Per Month: 9620.0	NO
Wages Analysis:			
Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Sample Size Checked (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)	42 x 3 months Dec 2021, June 2022, and Nov 2022		
Are there different legal minimum wage grades? If Yes, please specify all.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If there are different legal minimum grades, are all workers graded and paid correctly?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Applicable Please give details:		
For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	<input type="checkbox"/> Below legal min <input type="checkbox"/> Meet <input checked="" type="checkbox"/> Above		
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	There is no legal minimum by the government for this spinning mill industry, but, the company used the industrial practice of meeting Rs 300.00 in the local area. However, the company lowest wage found Rs. 370.00 per day to the unskilled workers. Maximum paid Rs. 500.00 per day to the experienced operator.		
Please indicate the breakdown of workforce per earnings	0% of workforce earning under minimum wage 0% of workforce earning minimum wage 100% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found: Yes, the company last year paid the bonus to the employees at the rate of 13.25%. Calculation month for the bonus is April to March (financial year) will be paid every October. This year the company paid the bonus on 21.10.2022 Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.		
What deductions are required by law e.g. social insurance? Please state all types:	Employee State Insurance (starting from October 2022 - before this area not covered under the ESI Scheme) and PF, Professional tax, Hostel bill		
Have these deductions been made?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Please list all deductions that have been made.	ESI, PF and professional Tax and Hostel fees		
Please list all deductions that have not been made.	Nil		
Were appropriate records available to verify hours of work and wages?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Were any inconsistencies found? (if yes describe nature)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

<p>Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Facility had implemented biometric recording system to record the in/out time recording and all time worked by the employees are recorded</p>
<p>Is there a defined living wage: This is not normally minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Living wage calculated Rs. 5043.42 on April 2022</p>
<p>If yes, what was the calculation method used.</p>	<p><input type="checkbox"/> ISEAL/Anker Benchmarks <input type="checkbox"/> Asia Floor Wage</p> <p><input type="checkbox"/> Figures provided by Unions <input type="checkbox"/> Living Wage Foundation UK</p> <p><input type="checkbox"/> Fair Wear Wage Ladder <input type="checkbox"/> Fairtrade Foundation</p> <p><input checked="" type="checkbox"/> Other – please give details:</p>
<p>If other, please explain:</p>	<p>SA8000 standard guidance formula</p>
<p>Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Every year April will be revised based on the industrial practice requirements</p>
<p>Are workers paid in a timely manner in line with local law?</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Is there evidence that equal rates are being paid for equal work:</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please give details:</p> <p>Every month wages paid on or before 7th. to their bank account.</p>
<p>How are workers paid:</p>	<p><input type="checkbox"/> Cash <input type="checkbox"/> Cheque</p> <p><input checked="" type="checkbox"/> Bank Transfer <input type="checkbox"/> Other</p>

6 - Working Hours are not Excessive
[Summary of Findings]

6: Compliance Requirements

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:

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

Current Systems and Evidence Examined

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

Current Systems:

Factory has biometric system to record the attendance of the workers. Through employees' interview and factory policy it was noted that overtime is voluntary. The overtime wage rate is 200% of the regular wage rate. As per the reviewed records, the regular working hours and overtime working hours were following the legal and client requirement.

The factory operates in different shifts from 1st Shift 07.00 am to 15:00 2nd shift from 15.00 to 23.00, 3rd shift from 23.00 to 07.00 and General shift 1 09.00 to 18.00 and General shift 2 from 08.00 to 17.00 (including a lunch break for 30 minutes).

No specific Tea breaks.

Evidence examined:

- Payrolls (for sampled months of Dec 2021, Jun 2022, and Nov 2022)
- Time IN / OUT records (for sampled months of Dec 2021, Jun 2022, and Nov 2022)
- Production records (from work floors to check for discrepancies)
- Leave records

Any other comments:

NIL

Working hours' analysis

Systems & Processes

What timekeeping systems are used?	Biometric – finger reading Attendance Record System
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Is sample size same as in wages section?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
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Are standard/contracted working hours defined in all contracts/employment agreements? (If no, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week? (If yes, please detail hours, %, types of workers affected and frequency.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	<input checked="" type="checkbox"/> 1 in 7 days <input type="checkbox"/> 2 in 14 days <input type="checkbox"/> No (please explain)
Is this allowed by local law?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Maximum number of days worked without a day off (in sample):	6
Standard/Contracted Hours worked	
Were standard working hours over 48 hours per week found? (If yes, % of workers & frequency)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No % of workers: null% Frequency:
Any local waivers/local law or permissions which allow averaging/annualised hours for this site? (If yes, please give details.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Overtime Hours worked	
Actual overtime hours worked in sample (State per day/week/month)	per day 4 hours, week 12 hours
Combined hours (standard or contracted + overtime hours = total) over 60 found?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: per day 4 hours, week 12 hours
Approximate percentage of total workers on highest overtime hours:	2%
Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information Please give details: Overtime is voluntary and the employees can refuse the overtime.
Overtime premium	
Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium Please give details: As per policy factory has paid the overtime at 200% of the ordinary rate of wages. And the verification of sampled employees per provided time records overtime were performed occasionally that too because of absent of shift reliever.
Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No As per the sample employees records it is found 200%

<p>If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.</p>	<p><input type="checkbox"/> No <input type="checkbox"/> Consolidated pay <input type="checkbox"/> Collective Bargaining agreements</p> <p><input checked="" type="checkbox"/> Other</p>
<p>Please give details</p>	<p>Not applicable</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. (Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other)</p>	<p><input checked="" type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week is voluntary <input type="checkbox"/> Safeguards are in place to protect worker's health and safety</p> <p><input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons (please specify)</p>
<p>Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other</p>	<p>Not applicable - No overtime over 60 hours</p>
<p>Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

7 - No Discrimination is Practiced
[Summary of Findings]

7: Compliance Requirements

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:

The facility had displayed Anti-discrimination policy on the notice board and well explained to all employees. Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Evidence examined:

It was noted from interview with the employees and review of records that employees are not discriminated in hiring, compensation, promotion, and termination based on race, caste, national origin, religion, age, disability, gender, marital status, and sexual orientation.

Any other comments:

Nil

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 70%	Female: 30%
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	Fifteen workers in supervisor, welfare officer, QAD head etc.,	
Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?	<input type="checkbox"/> Hiring <input type="checkbox"/> Promotion	<input type="checkbox"/> Compensation <input type="checkbox"/> Termination or retirement <input checked="" type="checkbox"/> No evidence of discrimination found
Please give details	No Evidence of discrimination found, equal opportunity for each gender.	
Professional Development		
What type of training and development are available for workers?	All employees had been provided with periodical trainings on Health & Safety and ETI requirements	
Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

8 - Regular Employment Is Provided
[Summary of Findings]

8: Compliance Requirements
 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:

- The company had undertaken to ensure that all employees perform their work on the basis of an employment contract.
- The recruitment policy and procedure of the company on this regard was available and had been communicated to the employees.
- It was noted that no temporary workers had been employed in the company.
- It was also noted that home workers or apprentices are also not being engaged in the production

Evidence examined:

- The hiring and termination practices
- Personal files
- Appointment order.
- Payroll records.
- Time record
- Interaction with the production supervisors and interview of employees.

Any other comments:

NIL

Responsible Recruitment

All Workers

Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?	<input checked="" type="checkbox"/> Terms & Conditions presented <input checked="" type="checkbox"/> Same as actual conditions	<input checked="" type="checkbox"/> Understood by workers
Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? (If yes, please describe details and specific category(ies) of workers affected)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Migrant Workers	
Type of work undertaken by migrant workers:	All type of jobs including highly skilled job
Please give details about recruitment agencies for migrant workers:	Number of (in country) recruitment agencies used: 0 Number of (outside of local country) recruitment agencies used: 0
Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details: All deductions are same as all other employees
Is there any observation on this finding?	Nil
Are any migrant workers in skilled, technical or management roles? (This should include all migrant workers including permanent workers, temporary and/or seasonal workers)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No spinning, cording, highly skilled jobs
Non-employee workers	
Recruitment Fees	
Are there any fees?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Agency Workers (if applicable) (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.)	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	Nil
Were agency workers' age / pay / hours included within the scope of this audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Were sufficient documents for agency workers available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is there a legal contract agreement with all agencies?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: No Agency workers working, but the company has a policy covering agency workers
Does the site have a system for checking labour standards of agencies?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Company Policy
Contractors (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.)	
Any contractors on site?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Security guards contracted from security agency
If Yes, how many workers supplied by contractors?	9

Do all contractor workers understand their terms of employment?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: Verified in interviews
If Yes, please give evidence for contractor workers being paid per law	Worker files and interviews

8A - Sub-Contracting and Homeworking
[Summary of Findings]

8A: Compliance Requirements

8.A.1 There should be no sub-contracting unless previously agreed with the main client.
8.A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.

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:

- Procedures are in place to manage the suppliers involved in incidental processes of the company.
- The company's main processes like Blow room, Carding, Comber, Drawing, Simplex, Spinning, Cone winding, Yarn condition, Checking, Inspection and packing are done in-house.
- Through interview with the management and employees, it was noted that facility has not subcontracting any of above their production process.

Evidence examined:

- Production records
- Interactions with Management
- Interactions with Production Staff
- Goods/ Vehicle movement registers

Any other comments:

Nil

Summary of sub-contracting – if applicable

Is there any sub-contracting at this site? Yes No

Summary of homeworking – if applicable

Is homeworking used at this site? Yes No

9 - No Harsh or Inhumane Treatment is Allowed
[Summary of Findings]

9: Compliance Requirements
 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.
 9.2 companies should provide access to a confidential grievance mechanism for all 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:

- From interview with the employees, there was no evidence of harsh or inhumane treatment of employees.
- All workers are treated with respect and dignity.
- The company's disciplinary policies had been explained to all employees and all employees were well aware about their rights of grievance redress procedure

Evidence examined:

- Policy on prevention of harassment and abuse
- Grievance handling procedure documentation.

Any other comments:

NIL

Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details: NGO M/s Agasthiya Trust, Complaint and suggestion box provided in a hidden area's like Dining area, Hostel
If yes, are workers aware of these channels and have access? Please give details.	Yes, workers were given training by the NGO for any kind of grievances.
If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	Grievance mechanism in place and elevation of grievance system in place and the same has been posted near the Complaint Box. Also, the workers were trained about how to contact the NGO and get their grievances cleared.
Which of the following groups is there a grievance mechanism in place for?	<input checked="" type="checkbox"/> Worker <input checked="" type="checkbox"/> Communities <input type="checkbox"/> Suppliers <input type="checkbox"/> Other
Please provide grievance mechanism details	NGO, Anti sexual harassment committee, Grievance Committee
Are there any open disputes?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:
Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:

Is there a published and transparent disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
If yes, are workers aware of these the disciplinary procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please give details:
Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please give details:

10A - Entitlement to Work and Immigration
[Summary of Findings]

10A: Compliance Requirements

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

10.A.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:

- The company has established a recruitment policy and related procedures to ensure that only workers with a legal right are employed.
- Company had not employed any foreign nationals

Evidence examined:

- Personal files of 42 employees were reviewed.
- Recruitment Policy and Procedures

Any other comments:

NIL

10B2 - Environment 2-Pillar
[Summary of Findings]

10B2: Compliance Requirements

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

10.B2.2 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:

- The company had undertaken to comply with the local and international laws and regulations and also their end client's environmental requirements through its Environmental Policy.
- The company was found to be aware of the end client's environmental requirements and is committed to comply with the same.
- There are no hazardous operations involved in the manufacturing process of the company.
- Desilting water pond which is used for drinking and agricultural near to its factory in the same location

Evidence examined:

On site observation
Environmental Policy
Ambient Air, noise Quality, Illumination, waste analysis report and Stack Monitoring Reports.
CSR Activity logbook

Any other comments:

Nil

Attachments



Hose Reel.JPG



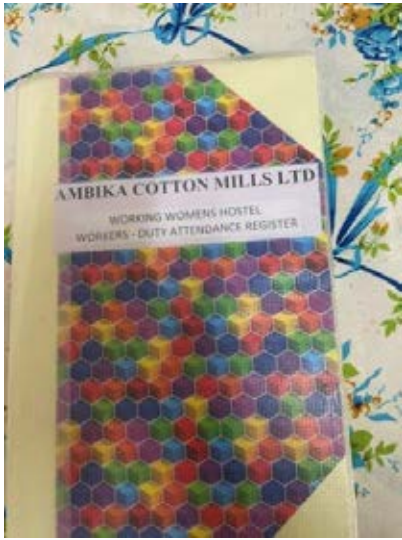
Hostel Attendance.JPG



First aid kit.JPG



Generator Room.JPG



Hostel attendance note.JPG



Fire extinguisher.JPG



Exit with markings.JPG



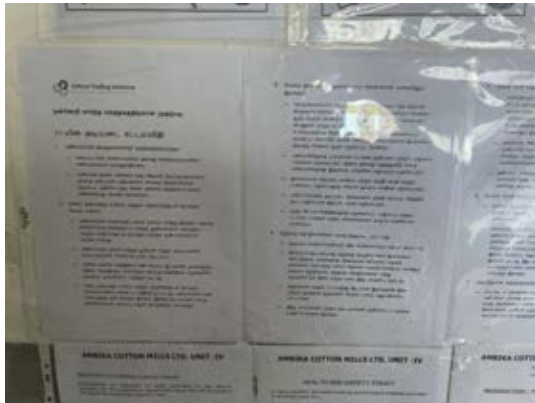
Exit with light.JPG



Emergency light.JPG



Emergency siren.JPG



ETI Code display.JPG



Call point.JPG



complaint mechanism.JPG



Diesel storage tank as per legal norms.JPG



First aid room - Hostel.JPG



Evacuation plan.JPG



Compressor.JPG



Clear Exit.JPG



First aid Kit - Hostel.JPG



Electrical Panel.JPG



Sprinkler.JPG



Worker with PPE.JPG



Various policies display.JPG



Production Prcess 2.JPG



Hydrant Point.JPG



Hostel notice board.JPG



No PPE used - NC.JPG



Pathway clearly maintained.JPG



Hostel store.JPG



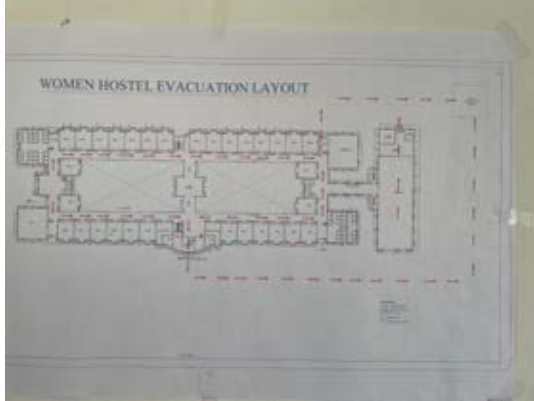
Production Process - winding.JPG



Main Entrance.JPG



Packing.JPG



Hostel Evacuation plane.JPG



Working hour, emergency contacts.JPG



Production process Spinning.JPG



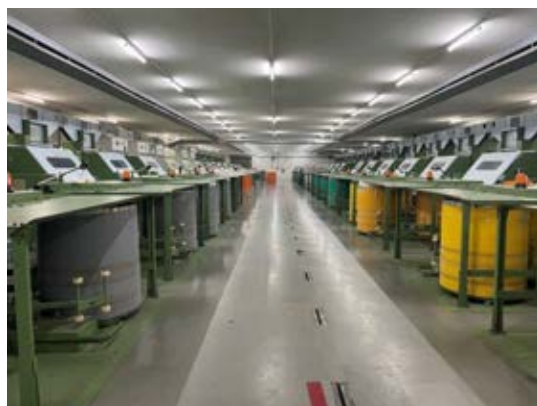
Production process - Auto coner.JPG



Hostel entertainment room.JPG



Hostel Main gate.JPG



Production - Coding.JPG



Hostel name board.JPG



Hostel inside.JPG



Safe assembly area.JPG



Hostel Dining.JPG



Hostel Building.JPG



Name board.JPG



Production process Mixing.JPG



Security gate.JPG



Hostel Room - Inside look.JPG



Hydrant at Hostel.JPG



Legal abstracts display.JPG



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