

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

17 Aug 2021



Factory Information

FLA Affiliates	Fenix Outdoor AB
Country	India
Number of Workers	

Understanding this Report

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

FLA Code Element

Number of Violations

Compensation (C)	22
Employment Relationship (ER)	17
Forced Labor (F)	1
Freedom Of Association And Collective Bargaining (FOA)	1
Harassment Or Abuse (H/A)	2
Health, Safety And Environment (HSE)	29
Hours Of Work (HOW)	6

Assessment Information

Assessor	Insync
Assessment Date	17 Aug 2021
Assessment Purpose	Factory Assessment (In-Person)

ASSESSMENT RESULTS

Compensation (C)

Benchmark ID	C.25.2.1
Benchmark Details	Advances must be properly documented and their receipt and accuracy must be confirmed by the relevant worker in writing (e.g. signature, thumbprint).
Finding Details	The factory's payroll staff maintains records for advances provided to workers. The factory does not obtain worker signatures to acknowledge receipt and refunds.
Recommendation for Immediate Action	Obtain worker signatures to acknowledge receipt and refunds of advances provided to workers.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	C.25.2
Benchmark Details	Advances shall only be made following clearly established rules which have been communicated to workers.
Finding Details	The factory does not communicate clearly established rules on wage advances.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Benchmark ID	C.21.2
Benchmark Details	All benefits shall be calculated correctly
Finding Details	See finding in benchmark C.21.1.
Recommendation for Immediate Action	Maintain leave records for outsourced canteen workers in the factory.
Compliance Classifications	Immediate Action Required
Local Law	Contract labour (Regulation and Abolition) Act 1970 – Chapter VII-section 29.
Benchmark ID	C.16.1
Benchmark Details	All compensation records, including wages and benefits whether in cash or in-kind, must be properly documented and their receipt and accuracy must be confirmed by the relevant worker in writing (e.g. signature, thumbprint).
Finding Details	See finding for benchmark C.6.
Recommendation for Immediate Action	
Compliance Classifications	Immediate Action Required
Local Law	Contract labour (Regulation and Abolition) Act 1970 – Chapter VII-section 29
Benchmark ID	C.12.1
Benchmark Details	All legally mandated deductions for taxes, social insurance, or other purposes shall be deposited each pay period in the legally defined account or transmitted to the legally defined agency. This includes any lawful garnishments for back taxes, etc.
Finding Details	See finding in benchmark C.7

Recommendation for Immediate Action	Maintain complete records pertaining to outsourced workers, including deductions and deposits of contributions for legally mandated benefits.
Compliance Classifications	Immediate Action Required
Local Law	Contract labour (Regulation and Abolition) Act 1970 – Chapter VII-section 29.
Benchmark ID	C.7
Benchmark Details	All payments to workers, including hourly wages, piecework, fringe benefits and other incentives shall be calculated, recorded, and paid accurately.
Finding Details	The factory does not maintain the outsourced canteen workers' wage records so assessors could not verify the deductions made from wages for these workers.
Recommendation for Immediate Action	Maintain outsourced canteen workers' wage records.
Compliance Classifications	Immediate Action Required
Local Law	Contract labour (Regulation and Abolition) Act 1970 – Chapter VII-section 29.
Benchmark ID	C.6
Benchmark Details	All wages, including payment for overtime, shall be paid directly and in full within legally defined time limits. When no time limits are defined by law, compensation shall be paid at least once a month.
Finding Details	The factory does not maintain wage records or evidence of wages paid so assessors could not verify the timely and accurate wage payments for these workers.
Recommendation for Immediate Action	Maintain wage records for outsourced canteen workers with evidence of timely and accurate payment of wages.

Compliance Classifications	Immediate Action Required
Local Law	Contract labour (Regulation and Abolition) Act 1970 – Chapter VII-section 29
Benchmark ID	C.9.3
Benchmark Details	Employees shall be compensated for overtime hours at such premium rate as is legally required in the producing country
Finding Details	The factory compensates overtime hours worked within legal limits at double the basic wage rate but compensates hours worked beyond the legal limits at 1.5 times the basic wage rate. The legal requirement states that all overtime hours must be compensated at twice the gross wage. Gross wage is equal to basic wage and all allowances.
Recommendation for Immediate Action	Compensate all overtime hours worked at twice the gross wage rate as legally required.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948- Section 59 (1)
Benchmark ID	C.20.3
Benchmark Details	Employers must be able to demonstrate the accuracy or reasonableness of these charges.
Finding Details	See finding in benchmark C.17
Recommendation for Immediate Action	Maintain payroll for outsourced canteen workers with documented evidence of deductions made from wages.
Compliance Classifications	Immediate Action Required
Local Law	Contract labour (Regulation and Abolition) Act 1970 – Chapter VII-section 29

Benchmark ID	C.22
Benchmark Details	Employers must establish a system through which workers can dispute compensation and receive clarifications in this respect in a timely manner.
Finding Details	The factory does not have procedures wages and benefits. Procedures are defined for all types of grievances related to employment relations but they do not specify any compensation related issues.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	C.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning the payment of compensation to workers.

Finding Details	A review of pay records for terminal dues of eight sampled workers revealed inconsistencies five workers' records. For example, one worker had a resignation date of August 5, 2021 but the date of leaving employment as May 12, 2021. Another worker had a resignation date of November 12, 2020 and date of leaving employment as April 16, 2020. Another worker had a date of resignation of December 14, 2020 but the date of leaving employment of April 4, 2019. Another worker's resignation date was April 23, 2021, which was accepted by the factory on June 18, 2021 but the date of leaving was April 24, 2021. Another worker had their resignation date changed in a different color ink. That same worker had a date of hire on payment records for terminal dues in March 2014 but the date on the hiring appointment letter is January 2013. A final worker had a date of hiring in the appointment letter of July 15, 2021 but the date of joining pay records for terminal dues was September 1, 2016. In view of the inconsistencies in date of resignation from employment, date of leaving employment, and date of hiring, assessors could not verify accurate calculation of terminal dues.
Recommendation for Immediate Action	Maintain accurate information for workers resigning from employment.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	C.17
Benchmark Details	Employers shall ensure that all legally required payroll documents, journals and reports are available, complete, accurate and up-to date.
Finding Details	The factory does not maintain payroll for outsourced canteen workers.
Recommendation for Immediate Action	Maintain the payroll for outsourced canteen workers.
Compliance Classifications	Immediate Action Required

Local Law	Contract labour (Regulation and Abolition) Act 1970 – Chapter VII-section 29
Benchmark ID	C.19.1
Benchmark Details	Employers shall make every reasonable effort to ensure workers understand their compensation, including: the calculation of wages, incentives systems, benefits, and bonuses they are entitled to at the workplace and under applicable laws.
Finding Details	The factory has not made reasonable efforts to ensure workers understand their compensation, including wage calculation, fringe benefits, incentive systems and bonuses. Workers are not well aware of the calculations for contributions towards legally mandated benefits and bonus.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	C.18.1
Benchmark Details	Employers shall not use hidden or multiple payroll records in order to hide overtime, to falsely demonstrate hourly wages, or for any other fraudulent reason.
Finding Details	See finding for benchmark C.6.
Recommendation for Immediate Action	Maintain payroll for outsourced canteen workers in the factory.
Compliance Classifications	Immediate Action Required
Local Law	Contract labour (Regulation and Abolition) Act 1970 – Chapter VII-section 29

Benchmark ID	C.21.1
Benchmark Details	Employers shall provide all legally mandated benefits, including holidays, leave, bonuses, severance payments and 13th month payments to all eligible workers within legally defined time periods.
Finding Details	1. A review of pay records of terminal dues from eight sampled workers who left employment revealed delays of 5 to 322 days in payment of wages for unused leave, which is part of terminal dues. As a practice, wages for days worked prior to leaving employment is paid with wages in the month following leaving employment irrespective of date of leaving employment. These practices do not comply with legally the defined timelines for payment of wages post leaving employment. 2. The factory does not maintain leave records for outsourced canteen workers so assessors could not verify if benefits are provided.
Recommendation for Immediate Action	1. Pay wages for days worked prior to leaving employment and wages for unused leave which are part of terminal dues within two working days of leaving employment. 2. Maintain leave records for outsourced canteen workers in the factory.
Compliance Classifications	Immediate Action Required
Local Law	Item 13(3) of Schedule 1 appended to Industrial Employment (Standing Orders) Rules 1946; Factories Act 1948, Chapter VIII section 79. Annual leave with wage (3)
Benchmark ID	C.15.1.5
Benchmark Details	Employers shall provide workers a pay statement each pay period and not less frequently than once a month, which shall show bonuses.
Finding Details	The factory does not provide workers with a wage slip for the annual bonus. The bonuses are documented elsewhere and workers confirmed that they confirmed bonuses.
Recommendation for Immediate Action	Provide workers a wage slip with information on earnings, bonus calculation, and bonus amount.

Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	C.15.1.4
Benchmark Details	Employers shall provide workers a pay statement each pay period and not less frequently than once a month, which shall show regular and overtime pay.
Finding Details	The wage slip includes compensation for overtime hours within legal limits but does not include compensation for overtime hours worked beyond legal limits or hours worked on rest days.
Recommendation for Immediate Action	Include complete information on working hours and compensation in the wage slip.
Compliance Classifications	Immediate Action Required
Local Law	Minimum Wages Central Rules 1950- Rule 26 (2)
Benchmark ID	C.15.1.3
Benchmark Details	Employers shall provide workers a pay statement each pay period and not less frequently than once a month, which shall show total number of hours worked.
Finding Details	The factory includes overtime hours within legal limits in the wage slip but does not include overtime hours worked beyond the legal limit or hours worked on rest days. The legal limit is 50 hours a quarter/ 12 hours a week.
Recommendation for Immediate Action	Include complete information on working hours in the wage slip.
Compliance Classifications	Immediate Action Required
Local Law	Minimum Wages Central Rules 1950- Rule 26 (2)

Benchmark ID	C.15.1
Benchmark Details	Employers shall provide workers a pay statement in languages understood by workers each pay period and not less frequently than once a month,
Finding Details	The factory provides wage slips two days after payment via the software "spine" on smart phones. Workers who do not have smart phones must request their wage slip from their supervisors.
Recommendation for Immediate Action	Provide the wage slip to workers prior to the disbursement of wages.
Compliance Classifications	Immediate Action Required
Local Law	Minimum Wages Central Rules 1950- Rule 26 (2)
Benchmark ID	C.3.1.3
Benchmark Details	Where probationary employment is legally allowed, no workers shall work more than three months in this employment category.
Finding Details	The probation period is for six months and can be extended an additional three to six months. Post completion of the probation period, if performance is found unsatisfactory, workers are reassigned jobs and are on probation for additional six months. This practice results in total of 12 months of probation period.
Recommendation for Immediate Action	Revise probation period to not exceed three months.
Compliance Classifications	Immediate Action Required
Local Law	Industrial employment (standing orders) rules 1946- Rule 2(C) of schedule 1
Benchmark ID	C.10

Benchmark Details	Workers shall be informed, orally and in writing, in language(s) spoken by workers about overtime wage rates prior to undertaking overtime.
Finding Details	The factory does not inform workers orally and in writing about overtime wage rates prior to undertaking overtime.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	C.13.2
Benchmark Details	Written consent for voluntary wage deductions shall be documented in employee files.
Finding Details	The factory does not obtain written consent from workers for voluntary deductions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Employment Relationship (ER)	
Benchmark ID	ER.17.5
Benchmark Details	Employers shall have in place procedures to track the number, types, and timing and resolution of grievances, and to communicate the resolution of grievances to the workforce.

Finding Details	The factory does not log grievances. Workers report grievances to department heads who either call or email the responsible team to address the concern. The factory also does not have a feedback system.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.14.1
Benchmark Details	Employers shall use standard contract language with employment agencies or intermediaries that specifically imparts power to employers to directly pay wages to migrant/ contract/ contingent/ temporary workers and ensures equality of compensation and workplace standards as set under the FLA Workplace Code and national laws and regulations.
Finding Details	The factory pays the wages for the 169 apprentices to the employment agency, CIAT, who then pays wages to the apprentices. The factory does not have a way to monitor payments to apprentices. The security and canteen service providers pay the security and canteen workers, not the factory.
Recommendation for Immediate Action	Monitor and ensure the timely payment of wages to both apprentices and service providers.
Compliance Classifications	Immediate Action Required
Local Law	Contract labour (Regulation and Abolition) Act 1970 – Chapter VII- section 29
Benchmark ID	ER.19.2
Benchmark Details	All notices that are legally required to be posted in the workplace work areas shall be posted by employers.

Finding Details	Legally required postings are not displayed at all. These postings include: standing orders, abstracts of Acts (Factories Act, Maternity Benefit Act, Minimum Wages Act), list of holidays, working hours, and wages payable.
Recommendation for Immediate Action	Post the legally required postings in the factory.
Compliance Classifications	Immediate Action Required
Local Law	The Industrial Employment (Standing Orders) Act, 1946- Section 9; The Industrial Employment (Standing Orders) rules, 1946- Item 5 of schedule 1; Minimum Wages Central Rules 1950 - rule 22: Notices in {Form IX-A}; Factories Act, 1948- Section 108(1)&(2); Maternity Act, 1961-section 19; Payment of Gratuity Act 1972- Section 20
Benchmark ID	ER.11.2
Benchmark Details	Employers must ensure the following minimum terms and conditions are met in the employment of contract/contingent/migrant/temporary workers: Contract/contingent/migrant/temporary workers shall be provided an employment agreement in their native language setting out the employment terms and conditions. for migrant workers, a copy of their employment contract in their native language shall be provided prior to departure from their country of origin;
Finding Details	The factory provides the appointment letters are provided in Hindi and not in the local language, Gujarati.
Recommendation for Immediate Action	Provide appointment letters in all languages spoken by workers.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	ER.1.2

Benchmark Details	Employers shall assign responsibility for the administration of human resources to a clearly defined and adequately qualified staff member or staff members and ensure workers at all levels receive communication and training about existing policies and procedures or any revisions.
Finding Details	1. The factory does not provide ongoing training to workers on the FLA Code elements or employment functions. 2. The factory does not provide health and hygiene training to the canteen workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.2
Benchmark Details	Employers shall ensure managers and supervisors are fully familiar with the workplace disciplinary system and in applying appropriate disciplinary practices.
Finding Details	Managers and supervisors are not fully trained on disciplinary procedures. The factory provides some awareness but the specific training does not cover all steps for disciplining workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.5.1
Benchmark Details	Employers shall ensure that all supervisors are trained in national laws, workplace regulations, and the FLA Code, workplace grievance systems, and the appropriate practices to ensure compliance.

Finding Details	The factory does not provide specific training to relevant supervisors on any of the FLA's code elements or employment functions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.17.1
Benchmark Details	Employers shall have a clear and transparent system of worker and management communication that enables workers to consult with and provide input to management. This might include suggestion boxes, worker committees, designated spaces for worker meetings, union representatives, and meetings between management and workers' representatives.
Finding Details	Written procedures on grievance systems do not include information on timeline for addressing grievances, requirement to log grievance and feedback procedures. One female representative in the Grievance committee represents 253 female employees. There is adequate representation for male workers
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	Industrial Disputes Act 1947- Section 9C (2)
Benchmark ID	ER.1.1
Benchmark Details	Employers shall have in place written policies and practices and maintain proper and accurate records governing all aspects of employment from recruitment, hiring and probation, including written terms and conditions of employment, job descriptions, administration of compensation, and working hours for all positions, through to retrenchment and termination processes.

Finding Details	<p>1. The factory's written policy on recruitment does not include information on the recruitment of different types of workers and the steps for hiring such workers. The types of workers include: workers hired directly on factory payrolls, apprentices hired through an external agency, workers hired through an external contractor, and security and canteen workers hired through service providers. The written procedures do not have information on orientation, document maintenance, or responsible person(s). There is no information on documentation that will be maintained and responsible person for periodic review of such documentation. 2. The factory does not have written procedures on non-discrimination or forced labor. 3. For child labor, the factory only has written procedures for remediation of child labor if found. 4. The factory does not have a written policy and procedures on retrenchment. The written procedures on termination do not include information on calculation of benefits for resignation/ retirement and dismissal, mode and timelines for payment of terminal dues. 5. The factory does not have a written policy on compensation but some written procedures are defined. 6. The factory prepared job descriptions for all workers in July 2021 and the factory is still in the implementation process.</p>
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.6.1
Benchmark Details	Employers shall have written policies and procedures and implement practices that encourage ongoing training of all categories of workers with the goal of raising or broadening skills in order to advance in their careers within the factory or beyond.
Finding Details	The factory does not have a written policy or procedures on personnel development. There are no written procedures that encourage ongoing training with the goal of raising or broadening workers' skills so they can advance in their careers.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.7.1
Benchmark Details	Employers shall have written policies and procedures with regard to performance reviews that outline the review steps and process, demonstrate linkages to job grading, prohibit discrimination, are provided in writing and seek feedback and agreement/disagreement from employees in writing, and that follow all local legal requirements.
Finding Details	The factory does not have a written policy or procedures on personnel development. The factory evaluates worker performance based on vacancies. The factory documents the evaluations and provides wage raises based on satisfactory results.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.8
Benchmark Details	Employers shall have written policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment, are provided in writing and seek feedback from employees in writing, and follow all local legal requirements.
Finding Details	The factory does not have a written policy or procedures on promotions, demotions, or job reassignment.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.4
Benchmark Details	Employers shall inform workers about workplace rules, environmental protection systems, health and safety information, and laws regarding workers' rights with respect to freedom of association, compensation, working hours, and any other legally required information, and the FLA Code through appropriate means, including posted in local language(s) throughout the workplace's common areas.
Finding Details	1. The factory does not regularly communicate all of the FLA's Code elements and Employment Functions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.19.1
Benchmark Details	Employers shall maintain on file all documentation needed to demonstrate compliance with the FLA Workplace Code and required laws.

Finding Details	1. Based on a review of the employment files of 40 workers, the factory does not provide a letter to most workers stating that they have been permanently and their wage following the completion the probation period. 2. Orientation topics do not include harassment & abuse, hours of work, wages & benefits, recruitment and hiring, use of PPE, chemical and waste management, or machine safety. The factory provides a documented list of topics discussed in the training in English, but not in Gujarati or Hindi. Workers sign this document despite not understanding what is included in it. 3. Apprentices' signatures are scanned and attached digitally in employment documents without intimation or consent from apprentices. Apprentices interviewed were not aware of the contents of their contracts. Management stated that they do not monitor employment practices of apprentices because the factory hires them through an agency. 4. The factory's policies are posted in English and not in the local languages, Gujarati and Hindi.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.3.1
Benchmark Details	Employers shall provide an orientation to new employees at the time of hiring, which includes explanations of the employers' rules, compensation package and policies for human resources, grievance systems, industrial relations, including respect of the right to freedom of association, workers' rights and responsibilities, FLA Code of Conduct, health and safety, and environmental protection.
Finding Details	See finding in benchmark ER.19.1 on orientation training.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Benchmark ID	ER.1.3
Benchmark Details	Employers should implement an annual, review process with input from workers of all policies, procedures and their implementation to ensure they meet legal requirements and the FLA Workplace Code.
Finding Details	1. The factory has not defined a review period for all policies and procedures. The factory developed all policies and procedures were made in March 2021. 2. Workers are neither consulted nor integrated in the decision-making process of aspects concerning workplace and working conditions (e.g., creation or revision of policies and procedures, changes on production processes, hours of work, etc.). Policies are made based on legally provided guidelines.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.3.3
Benchmark Details	Workers should be provided with written documentation that substantiates all the issues covered in orientation briefings.
Finding Details	See finding in benchmark ER.19.1 on orientation training.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Forced Labor (F)

Benchmark ID	F.3.4
Benchmark Details	Interest may not exceed the cost of administering the loan program and any tax liabilities incurred by the program, and according to legal limits.
Finding Details	The factory charges workers an interest rate of 10% of the reducing loan balance. However, there is no specific calculation that can be reviewed to confirm if interest charged pertains to administration charges.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Freedom Of Association And Collective Bargaining (FOA)

Benchmark ID	FOA.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning freedom of association and collective bargaining. national laws, rules, and procedures protecting the rights of workers to organize and bargain collectively. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.
Finding Details	The factory does not have written procedures for Freedom of Association or Collective Bargaining.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Harassment Or Abuse (H/A)

Benchmark ID	H/A.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning discipline, violence, harassment and abuse, including that which is gender-based
Finding Details	1. The Internal Complaints Committee does not conduct a sensitization program. The sensitization program is not conducted at all. 2. The factory does not post the penal consequences of harassment of women in the workplace.
Recommendation for Immediate Action	1. The Internal Complaints Committee should conduct the sensitization program. 2. Post the penal consequences for harassing women at the workplace.
Compliance Classifications	Immediate Action Required
Local Law	Sexual harassment of women (prevention, prohibition & redressal) at workplace act 2013- section 19(c)
Benchmark ID	H/A.8.3
Benchmark Details	Employers, shall develop, implement and monitor policy and procedures for eliminating the risk of violence, harassment, and abuse in the workplace. Policies and procedures shall include a clear statement that violence, harassment, and abuse will not be tolerated, procedures for the investigation of allegations, and measures to protect any complainants, victims, and witnesses.
Finding Details	The factory does not have written procedures on harassment and abuse.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Health, Safety And Environment (HSE)	
Benchmark ID	HSE.30.1
Benchmark Details	Employers shall develop, maintain, and regularly review health, safety, and environmental policies to ensure that they comply with all national laws, regulations and the FLA Workplace Code concerning health, safety, and environmental standards, regulations and procedures.
Finding Details	1. The factory's procedures for environmental protection do not include information on communication, what documents to maintain, and the requirement of testing emissions. 2. The factory has a written policy but does not have written procedures on health & safety. 3. The factory has a written policy but does not have written procedures on environment that includes environmental emergencies, wastewater, air emissions, solid and hazardous waste, chemical tanks. 4. The factory does not have written procedures on emergency/evacuation, fire safety, first aid, machine guards, PPE, etc.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.5.1.5
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: employee education and training
Finding Details	Fire safety training has been provided to seven out of 448 workers in the past 12 months.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.5.1
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: posting evacuation plans; the installation and maintenance of fire alarms; the installation and maintenance of emergency lighting; ensuring aisles/exits are not blocked and that workers are not blocked within their workstations; employee education and training; and evacuation procedures and fire drills.
Finding Details	<p>1. Assembly area for workers from Building # 1 (Plot 28) is on the road outside of the factory's main gate. This road has traffic and there are no defined procedures to manage traffic in case of an evacuation. Assembly areas are marked in between building # 2 (Plot 31) and Building # 3 (Plot 30) and appeared to be inadequate to accommodate all employees. Vehicles are parked in the areas. Pictures from logs of evacuation drill reflect overcrowding in the areas which could be a risk of missing to account for all employees at work. Procedures are not defined for managing assembly areas.</p> <p>2. Gas stoves in the kitchen of the canteen are near the only exit from kitchen. In case of a fire accident, workers have no other exit to use.</p> <p>3. The secondary exit doors in building # 1 (plot 28) are pull down roller doors. These doors do not have a locking mechanism to lock them when they are rolled up completely to ensure they remain open during work hours. To prevent rain water from coming in, these doors were partially pulled down and covered 50% of exits.</p> <p>4. Aisle and evacuation route markings in all work areas in all 3 buildings are faded completely or partially. The factory has not marked aisle and evacuation routes in the kitchen.</p>
Recommendation for Immediate Action	<p>1. Worker assembly areas should be adequately provided and maintained clear at all times in case of emergency.</p> <p>2. Provide a secondary exit for the kitchen in case of emergency.</p> <p>3. Realign exit doors to open outward.</p> <p>4. Re-mark faded aisle and evacuation route markings in all work areas in all 3 buildings and in the kitchen.</p>

Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948- Section 38 (1) (a):
Benchmark ID	HSE.5.1.4
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following: ensuring aisles/exits are not blocked and that workers are not blocked within their workstations
Finding Details	Packing materials, garments, and boxes are blocking primary and secondary exits from the packing department in Building # 2 (Plot 31). Evacuation routes in the finishing departments are partially blocked and evacuation routes in packing section are completely blocked with packing boxes. In sewing and checking sections, garment bags and storage bins are blocking access to passages and evacuation routes. In the checking sections, pallets used for storing garments are restricting worker access to passages. Additionally, these pallets are stored 15 inches from workers standing at the checking tables, which is a trip and fall risk during an emergency. Bins are blocking access for a few sewing machine operators. Large containers, cooking utensils, and rice containers are blocking access to the only exit from kitchen.
Recommendation for Immediate Action	Maintain clear access to passages and exits at all times.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948- Section 38 (1) (a)
Benchmark ID	HSE.9.1
Benchmark Details	All chemicals and hazardous substances shall be properly labeled and stored in secure and ventilated areas and disposed of in a safe and legal manner, in accordance with applicable laws and international standards.
Finding Details	The diesel container is not labelled.

Recommendation for Immediate Action	Label the diesel container.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.25.1.1
Benchmark Details	All dormitories shall be kept secure, clean, and have safety provisions (e.g. fire extinguishers, first aid kits, unobstructed emergency exits, emergency lighting).
Finding Details	There are no fire safety or fire fighting measures in the worker accommodations.
Recommendation for Immediate Action	Provide fire safety and fire fighting measures in the worker accommodations.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.19
Benchmark Details	All facilities including workplace buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with all applicable laws, including relevant sanitation, medical, and safety and health regulations.
Finding Details	1. The bathrooms are not clean and do not have soap or hand dryers. 2. The factory does not provide workers with materials to clean or disinfect their workspaces.
Recommendation for Immediate Action	1. Keep bathrooms clean at all times and provide soap and hand dryers.
Compliance Classifications	Immediate Action Required

Local Law	Factories Act, 1948-Section 19(1) (a, d)
Benchmark ID	HSE.22.1
Benchmark Details	All food made available to workers shall be prepared, stored, and served in a safe and sanitary manner in accordance with all applicable laws and international standards.
Finding Details	Kitchen workers do not use nose masks, hair caps, hand gloves, or aprons while handling food. Kitchen workers roll bread (roti) with their bare hands. Also, cooked food is left open in containers.
Recommendation for Immediate Action	Ensure kitchen workers use nose masks, hair caps, hand gloves, and aprons while handling food. Cooked food should kept in covered containers.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.13
Benchmark Details	All necessary ventilation, plumbing, electrical, noise and lighting services shall be installed and maintained to conform to applicable laws and to prevent or minimize hazardous conditions to workers in the facility.
Finding Details	1.Security guards in Building # 1 Plot 28 are not provided with ear plugs and are exposed to noise from power generator where acoustic covers were removed. The work station for the guards is in the room which houses the power generator and electric panel board. 2. Management has not conducted any assessments for determining thermal comfort problem areas. 3. The main cables in the electric panel board in building # 1 (plot 28) have taped joints.
Recommendation for Immediate Action	1. Relocate the work station for security guards to a place away from power generator and electric panel board. 2. Conduct assessments for determining thermal comfort problem areas. 3. Replace the main cables in electric panel board in building # 1 (plot 28) should be replaced with continues chords instead of taped joints.

Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	1.Traffic lanes and walk paths are not marked in the factory. 2. Two out of three ladders do not have the locking arrangement. One ladder does not have the anti skid stopper. 3. The factory has not installed a safety alarm in the cargo lift used in building # 1 (Plot 28). 4. Operators push needle guards on sewing machines and eye shields over lock machines, rendering them ineffective. 5. The factory does not have a lockout-tag out arrangement for electrical safety.
Recommendation for Immediate Action	1. Mark traffic lanes and walk paths in the factory. 2. Install locking arrangement and anti skip stoppers on all ladders. 3. Install a safety alarm in the cargo lift used in building # 1 (Plot 28). 4. Educate workers and monitor the use of needle guards on sewing machines and eye shields on over lock machines. 5. Implement a lockout-tag out arrangement for electrical safety.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b), Section 24(3)
Benchmark ID	HSE.6.1
Benchmark Details	All safety and medical equipment (e.g. fire fighting equipment, first aid kits) shall be available in sufficient numbers throughout the workplace, maintained and stocked as prescribed, and easily accessible to workers.
Finding Details	1. Access to all fire extinguishers, fire hydrants is completely blocked in the packing department in building # 2 (plot 31). 2. All checked first aid kits did not have gloves, eye wash cup, eye wash lotion, and wood splints.

Recommendation for Immediate Action	1. Maintain clear access to all fire extinguishers and hydrants. 2. Ensure that first aid kits are properly stocked and include gloves, eye wash cups, eye wash lotion, and wood splints.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948- Section 38 (1) (a), Section 45 (1)
Benchmark ID	HSE.25.1
Benchmark Details	Dormitory facilities, including those provided by employment agencies or intermediaries associated with the employer, shall meet all applicable laws and regulations related to health, safety, and environment, including fire safety, sanitation, risk protection and electrical, mechanical, and structural safety.
Finding Details	Workers are not provided with beds, bedding and lockers/cupboards for storing their personal belongings in the dormitories.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.4.1
Benchmark Details	Employers shall at all times be in possession of all legally required and valid permits and certificates related to health, safety, and environmental issues, such as: Purchase and storage of chemicals; Fire safety inspections; Machinery inspections; Waste disposal; Environmental licenses/permits; Sanitation permits, including those required for canteens; and Vehicle inspection and driver permits for all employer provided transportation.
Finding Details	Assessors were not able to verify the validity of the external engineer's Competency Certificate because it was not available for review. The external engineer inspected the stability of buildings.

Recommendation for Immediate Action	Maintain the Competency Certificate of the external engineer.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act 1948
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	1. The factory installed a conveyor between buildings 2 & 3. However, this conveyor is not included in the factory's approved building plan. 2. Hazardous waste is stored in the power generator room and maintenance room with other types of waste and there is unrestricted access. 3. The factory does not conduct training for Health & Safety committee members. 4. The factory does not provide sanitary pads in the toilets for female workers. They are stored in a room in building # 1 (plot 28) and workers from all buildings need to request the female guard to get the pads. 5. The factory does not have emergency lights above both of the exits in the packing section on the ground floor of Building # 3 (Plot 31) and above the 2nd exit from 2nd floor in Building # 1(Plot 28).
Recommendation for Immediate Action	1. Amend the building plan to include the additional construction of conveyor between building 2 & 3. 2. Store hazardous waste in designated areas with restricted access. 3. Conduct proper training for Health & Safety committee members. 4. Provide sanitary pads in female toilets. 5. Install emergency lights above both exits in the packing section on the ground floor of Building #3 (Plot 31) and above the 2nd exit from 2nd floor in Building #1(Plot 28).
Compliance Classifications	Immediate Action Required
Local Law	Factories Act 1948, Section 7A (2b), Section 12 (44c), Section 38 (1)(a), Section 41G; Model Factories Rules, Section 19 (3)
Benchmark ID	HSE.28

Benchmark Details	Employers shall create a system to ensure that all necessary Health and Safety protections are provided for external contractors; including protection when working within , confined spaces, maintenance issues, and general Health and Safety Issues.
Finding Details	The factory does not provide safety information to contractors.
Recommendation for Immediate Action	Provide safety information to contractors.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.14.3
Benchmark Details	Employers shall ensure safety instructions are either displayed or posted near all machinery or are readily accessible to the workers in language(s) spoken by workers.
Finding Details	Safety instructions are not posted near machinery.
Recommendation for Immediate Action	Post safety instructions near machinery.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.29
Benchmark Details	Employers shall provide all necessary protection for workers when working at heights, confined spaces, and other high-risk areas.

Finding Details	1. The factory does not mark or fence confined spaces and there are no signs to warn workers. 2. The factory does not have written procedures for working in confined spaces. 3. The factory stated that they use safety ropes and helmets but they could not show any safety rope in use. Assessors noted that one helmet had dust and another way kept in a box near the security guard's cabin.
Recommendation for Immediate Action	1. Mark and fence confined spaces. Install appropriate signs to warn workers. 2. Develop written procedures for working in confined spaces. 3. Ensure safety equipment and fall protection equipment are maintained and used.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948- Section 33(1); Section 36 (2) (b)
Benchmark ID	HSE.17.2
Benchmark Details	Employers shall train workers in proper lifting techniques, and items such as lifting belts shall be provided.
Finding Details	Factory has not provided training on ergonomics to workers in the past 12 months.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.10.1
Benchmark Details	Material Safety Data Sheets (MSDS) for all chemicals and hazardous substances used in the workplace must be available at the usage and storage sites of the chemicals and hazardous substances, in the local language and the language spoken by workers, if different from the local language.
Finding Details	The MSDS for diesel is not posted in the storage area.

Recommendation for Immediate Action	Post MSDS for diesel in the storage area.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.5.4
Benchmark Details	The emergency evacuation plan (EEP) includes procedures for notifying local community authorities in case of accidental discharge or release of chemical/waste products or any other environmental emergency.
Finding Details	The factory does not have procedures to respond to gas emergencies.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.30.2.5
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed: procedures for reporting death, injury, illness and other health and safety issues (for instance, near-miss accidents) and environmental emergencies
Finding Details	The factory does not have written procedures for reporting death, injury, illness and other health and safety incidents and environmental emergencies.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.30.2.4
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed: procedures that enable workers to raise health, safety, and environmental concerns.
Finding Details	The factory does not have written procedures for workers to raise health, safety, or environment concerns.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.30.2.6
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed: protections to workers who allege health, safety, and environmental violations;
Finding Details	The factory does not have written procedures that include protection against retaliation for workers who raise health, safety, or environment concerns.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.30.2
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system within which the following are clear and regularly tested and reviewed; procedures for reporting death, injury, illness and other health and safety issues (for instance, near-miss accidents) and environmental emergencies
Finding Details	The factory does not record minor injuries like thumb cuts or finger pricks.
Recommendation for Immediate Action	The factory needs to record of minor injuries.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	HSE.7
Benchmark Details	Workers shall be provided at no cost with all the appropriate and necessary personal protective equipment (e.g. gloves, eye protection, hearing protection, respiratory protection) to effectively prevent unsafe exposure (e.g. inhalation or contact with solvent vapors, noise, dust) to health and safety hazards, including medical waste.
Finding Details	1. The factory does not provide PPE (gloves, protective aprons, shoes, and masks) to cooks in the kitchen to prevent burn injuries. During the assessment, the cook was holding long metal stirrers that were exposed to direct heat and quite warm. 2. The mesh glove used by the cutting machine operator was damaged and missing the fastening arrangement. 3. The maintenance worker's safety shoes were damaged. Additionally, the factory does not maintain helmets and safety ropes.

Recommendation for Immediate Action	1. Provide gloves, protective aprons, shoes, and masks to cooks and make appropriate arrangements to prevent burn injuries. 2. Replace damaged mesh gloves and monitor to ensure mesh gloves are in good condition at all times. 3. Replace damaged safety shoes and monitored to ensure those used are in good condition at all times. Maintain helmets and safety ropes good condition at all times.
Compliance Classifications	
Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.8
Benchmark Details	Workers shall be provided with training on the use and maintenance of personal protective equipment. Training shall be upon hire with periodic refresher training offered to all workers. Management will ensure use of PPE as necessary.
Finding Details	1. The cutting machine operator using the band knife machine was only using a mesh glove on one hand instead of both hands. 2. The factory has not provided training on PPE to any workers in the past 12 months.
Recommendation for Immediate Action	1. Provide mesh gloves for both hands to the cutting machine operator when operating the machine. 2. Provide PPE training to all workers.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.14.2
Benchmark Details	Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use.
Finding Details	1. The factory has not trained workers on machine safety or vehicle safety at all in past 12 months. 2. The factory has not trained workers on working at heights or in confined spaces at all in past 12 months.

Recommendation for Immediate Action	1. Provide training to workers on machine safety and vehicles. 2. Provide training to workers on working at heights and in confined spaces.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b)
Benchmark ID	HSE.9.2
Benchmark Details	Workers shall receive training, appropriate to their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances.
Finding Details	The factory has not provided training on chemical management to any workers in the past 12 months.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.17.1
Benchmark Details	Workstations, including seating and standing arrangements and reach required to obtain tools, shall be designed and set-up in such a manner as to minimize bodily strains.
Finding Details	1. The factory does not provide anti-fatigue mats or sitting areas to workers with standing jobs. Some workers work bare-feet in work areas. Some workers were seen resting one leg on lower platforms of tables. 2. Workers with sitting jobs sit on hard wooden stools which can cause bodily injury. 3. Work stations are not adjustable in height.

Recommendation for Immediate Action	1. Provide anti-fatigue mats and sitting areas to workers with standing jobs. 2. Provide workers appropriate sitting arrangements to workers with sitting jobs to reduce bodily injury. This should include chairs with backs and adjustable heights. 3. Work stations should be adjustable in height.
Compliance Classifications	Immediate Action Required
Local Law	1. Factories Act, 1948-Section 7A (2b), Section 44 (1)

Hours Of Work (HOW)

Benchmark ID	HOW.8.2
Benchmark Details	All overtime work shall be consensual, and employers shall enact a voluntary overtime system, including for overtime utilized in exceptional circumstances*.
Finding Details	The factory does not obtain written consent from workers prior to working overtime. During worker interviews, workers did not have any complaints and stated that they could refuse overtime work.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HOW.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning hours of work, public holidays and leave.
Finding Details	When workers work on rest days, they are compensated at the overtime premium. However, the factory does not provide an additional compensatory rest day.

Recommendation for Immediate Action	Provide workers who work on rest days with a compensatory rest day.
Compliance Classifications	Immediate Action Required
Local Law	Minimum wages Central Rules 1950- Rule 23(4)
Benchmark ID	HOW.22.1
Benchmark Details	Employers shall have in place policies for managing all working hour, overtime, and leave records in normal and exceptional circumstances.
Finding Details	The factory does not have written procedures on hours of work.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HOW.9.2
Benchmark Details	Employers shall take reasonable steps to inform workers about the nature and expected duration of the circumstances sufficiently in advance to allow workers to make alternative plans.
Finding Details	1. The factory communicates overtime requirements two hours prior to the start of overtime work. 2. In cases of exceptional circumstances (e.g Covid-19), the factory did not take reasonable steps to inform workers of the nature and potential duration of the circumstances.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Benchmark ID	HOW.21
Benchmark Details	Other than in exceptional circumstances, the total weekly work hours (regular work hours plus overtime including any alternative shifts such as 4x4 or 3x3) shall not exceed 60 hours per week.
Finding Details	A review of time cards from Nov 2020, Feb 2021, and July 2021 for 40 sampled workers revealed that all workers from the finishing department worked between 68 and 80 hours a week and 60% of workers from the sewing department worked 60 to 70 hours a week.
Recommendation for Immediate Action	Monitor working hours and ensure workers do not work more than 60 hours a week.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act 1948- Section 64 (4)(iii)
Benchmark ID	HOW.2
Benchmark Details	Workers shall be entitled to at least 24 consecutive hours of rest in every seven- day period. If workers must work on a rest day, an alternative consecutive 24 hours must be provided within that same seven-day period or immediately following.
Finding Details	A review of time cards from Nov 2020, Feb 2021, and July 2021 for 40 sampled workers showed that most workers worked on at least two rest days in November 2020 and February 2021. In July 2021, all sampled workers from the finishing department worked on all rest days resulting in 31 days of continuous work with no rest.
Recommendation for Immediate Action	Provide workers with at least one day (24 hours) of rest in a seven day period.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act 1948- Section 52

