

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

20 Sep 2022



Factory Information

FLA Affiliates	Fast Retailing Co., Ltd.
Country	India
Number of Workers	839

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

FLA Code Element	Number of Violations
Compensation (C)	4
Employment Relationship (ER)	10
Freedom Of Association And Collective Bargaining (FOA)	1
Harassment Or Abuse (H/A)	2
Health, Safety And Environment (HSE)	20
Hours Of Work (HOW)	3

Assessment Information

Assessor	Insync
----------	--------

Assessment Date	20 Sep 2022
Assessment Purpose	Factory Assessment (In-Person)

ASSESSMENT RESULTS

Compensation (C)

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	The date of the last day at work is considered as the date of exit (date of leaving employment) instead of considering the date when workers resigned (termination) from employment. This practice could impact the gratuity eligibility of the worker.
Recommendation for Immediate Action	Ensure that last day of work is considered from date of resignation and not from the date when worker did not report for work.
Compliance Classifications	Immediate Action Required
Local Law	Item 13(1) of Schedule 1 appended to Industrial Employment (Standing Orders) Rules 1946: For terminating employment of a permanent workmen, notice in writing shall be given either by the employer or the workmen - one month's notice in the case of monthly-rated workmen and two weeks' notice in the case of other workmen: one month's or two week's pay, as the case may be, may be paid in lieu of notice.
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.

<p>Finding Details</p>	<p>As a systematic practice, terminal dues are paid twice a month by the factory (post the 10th day and 20th day of every month) irrespective of the date of resignation. The letter issued by the factory as acceptance of resignation by workers states that terminal dues will be paid within 30 days from the date of resignation as was also noted from the review of pay records for terminal dues for 10 sampled workers who left employment. As a systematic practice, an annual bonus for workers who leave employment is paid post payment of bonus (6 months post completion of financial year) to workers who are in employment. Management contacts workers who left employment via phone or a letter is sent to their last address on record. This practice could be a risk of these workers not receiving the information with a change in phone numbers or possible change in location. Hence they stand a risk of losing to receive their bonus.</p>
<p>Recommendation for Immediate Action</p>	<p>Terminal dues should be paid within legally defined timelines. It is recommended that applicable annual bonuses as defined legally be paid with terminal dues to ensure workers receive legally defined amounts.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>

Local Law	<p>Item 13(3) of Schedule 1 appended to Industrial Employment (Standing Orders) Rules 1946: Where the employment of any workmen is terminated, the wages earned by him and other dues, if any, shall be paid before the expiry of the second working day from the day on which his employment is terminated. Factories Act 1948, Chapter VIII section 79. Annual leave with wage (3)- If a worker is discharged or dismissed from service or quits his employment or is superannuated or dies while in service, during the course of the calendar year, he or his heir or nominee, as the case may be, shall be entitled to wages in lieu of the quantum of leave to which he was entitled immediately before his discharge, dismissal, quitting of employment, superannuation or death calculated at the rates specified in sub-section (1), even if he had not worked for the entire period specified in sub-section (1) or sub-section (2) making him eligible to avail of such leave, and such payment shall be made-- i) where the worker is discharged or dismissed or quits employment, before the expiry of the second working day from the date of such discharge, dismissal or quitting. Payment of Bonus Act 1965- Section 8: Eligibility for bonus.—Every employee shall be entitled to be paid by his employer in an accounting year, bonus, in accordance with the provisions of this Act, provided he has worked in the establishment for not less than thirty working days in that year.</p>
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	Wage slips are provided to workers post disbursement of wages and not prior to, as legally required.
Recommendation for Immediate Action	Provide wage slips prior to disbursement of wages.
Compliance Classifications	Immediate Action Required
Local Law	Minimum Wages Central Rules 1950- Rule 26 (2): A wage slip in Form XI shall be issued by every employer to every person employed by him at least a day prior to the disbursement of wages.

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	Clause # 3 in the appointment letter states that the probation period is 6 months and can be extended with a total period not exceeding 1 year.
Recommendation for Immediate Action	It is recommended to restrict the probation period to 3 months.
Compliance Classifications	Immediate Action Required
Local Law	Industrial employment (standing orders) rules 1946- Rule 2(C) of schedule 1: A "probationer" is a workman who is provisionally employed to fill a permanent vacancy in a post and has not completed three months' service therein.

Employment Relationship (ER)

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. Factory does not provide any ongoing training to workers on all FLA's Code elements and Employment Functions 2. Awareness of hygiene standards was conducted by the welfare officer for the 2 childcare workers and not by medical staff.
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	Supervisors and Managers are not fully aware of Disciplinary procedures.
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

1. Written procedures on Grievance systems do not define the requirement of training and maintaining related documentation. 2. Root cause of the grievance reported is not documented and the signature of the employee who reported the grievance is not recorded to acknowledge a satisfactory resolution. Logs do not provide clarity on "who" reported grievance/complaint against "whom". 3. The OD (Organization Development) team located in the factory opens grievance boxes once every 15 days. All grievances received are communicated to the OD centralized team located at the head office. Post review of grievances by OD head of department, grievances are sent to the Human Resources Head of the department located at Head office. The HR head forwards the grievances to the HR and OD team located at the factory for addressing the grievances. This process takes approx. 7 to 10 days. Time taken for the complete process starting from reporting a grievance and addressing using this channel takes 20 to 25 days. This timeline may discourage workers from using it. 4. Review of action taken for grievances reported by OD HR staff based in a factory on grievances reported as communicated by a team from the Head office revealed that internal inquiry and actions taken were not sustainable and decisions were based on direct questions in the inquiry and responses from the majority of workers interviewed to confirm a reported grievance. a. In most instances, internal inquiries revealed that the grievance reported was false. Findings from inquiries pertaining to supervisors shouting, pressure to achieve targets, physical touching of female workers by production staff while giving production instructions, and other production-related grievances were based on responses from majority of workers who had no complaints and supervisors/managers were let off with warnings. Root cause analysis was not conducted. The risk of retaliation to workers for complaining against or sharing actual information on the behavior of supervisors/managers was not considered. b. From the assessment period, it was noted that between August 2021 and July 2022, 5 complaints of verbal abuse and shouting by the production team were recorded. In one instance, the complaint was against 2 welfare officers for not listening to the concerns of workers. Action taken states that one welfare officer left employment. No information is recorded on action taken against the 2nd welfare officer. In one instance corrective action taken for a grievance reported against employee # 2 (as per name recorded) states that he was counseled for the grievance reported whereas the grievance did not pertain to employee # 2 and instead pertained to employee # 1 (as per name recorded in grievance). Action taken as recorded against employees

	# 1 and # 2 is similar with no change in name of employees. 5. Action taken on grievances reported using the grievance box is not communicated to workers for information. 6. Chairman of the grievance committed is not designated or rotated every alternate year as legally required.
Recommendation for Immediate Action	1. Ensure written procedures on Grievance systems defines the requirement of training and maintaining related documentation. 2. Ensure root cause of the grievance reported is documented and the signature of the employee who reported the grievance is recorded to acknowledge a satisfactory resolution. Ensure logs provide clarity on "who" reported grievance/complaint against "whom". 3. Ensure grievances reported using grievance boxes are addressed at the earliest to encourage workers to the channel to report grievances. 4. Ensure grievances are addressed effectively post analyzing root causes and risks of retaliation. 5. Ensure action taken on grievances reported using the grievance box is communicated to workers for information. 6. Designate the Chairman of the grievance committed and ensure chairman is rotated every alternate year as legally required.
Compliance Classifications	Immediate Action Required
Local Law	Industrial Disputes Act 1947- Section 9C (3) : Setting up of Grievance Redressal Machinery- The chairperson of the Grievance Redressal Committee shall be selected from the employer and from among the workmen alternatively on rotation basis every year.
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	1. Written policies and procedures do not include information on the employment of outsourced workers like security guards. 2. Factory does not have written procedures on non-discrimination. 3. Factory does not have written procedures on Forced Labour. 4. Factory does not have a written policy on Termination. Written procedures on termination do not provide information on methods of calculation, payment, and timelines for terminal dues. Written procedures on Termination and Retrenchment does not define the responsible person and the requirement of training and maintaining related documentation. 5. Written procedures on compensation do not define the responsible person and the requirement of training and maintaining related documentation. 6. Job descriptions are prepared and available only for management staff and not for workers and supervisors.
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	Factory does not have written policies and procedures on personnel development 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	1. Written procedures do not define criteria for the evaluation of performance. 2. Evaluation results are not shared with workers.
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	1. Performance evaluation sheet of individual workers is not signed by the evaluator, head of the department, concerned supervisor, and worker. 2. Evaluation results are not shared with workers for their awareness, acknowledgment of results, and feedback.
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	<p>Please refer to GSA- GC-Q2 for findings on grievance documentation. 1. The factory provides a standard written notice to warn workers who remain absent for 8 days or more without approval and asks them to report to work or be considered as "voluntarily abandoning employment". These letters are not sent under a certificate of posting using the government postal service as evidence of being sent and delivered. When workers do not report back to work, employment is terminated without providing a terminal notice to workers. 2. Sewing machine operators without past experience are hired as "Trainees" for a month and paid wages of unskilled workers. Post completion of the training period, workers are assigned sewing lines and are designated as Tailor -Grade III with no increase in wages. With the current practice, a sewing machine operator who has achieved some level of skill during the training period is paid similar wages as an unskilled/untrained worker with no skill (e.g housekeeping worker). 3. Letter to communicate promotion with an increase in salary and change of designation is not provided when workers are promoted within the category and when workers are promoted as supervisors. Soft copies of letters for workers promoted as supervisors are maintained with the HR team and are not provided to workers. Upon request, the letters for 11 sampled workers were printed, signed by management, and shared with assessors. The letters did not have a date on them or information on the increase in salary. Information on job description and responsibilities and changes in wage structure is not included at all. Workers get to know of the changes from the wage statement they receive for the month from which the promotion is effected. 4. Information on wage that will be paid was missing on the appointment letter reviewed for 1 out of 3 sampled outsourced security guards. 5. Service record of workers is not updated with information on increments in wages. 6. Clause # 3 (terms and conditions) in the appointment letter does not provide information on the amount of deductions from wages for legally mandated benefits. It states statutory deductions will be made.</p>

<p>Recommendation for Immediate Action</p>	<p>1. Ensure written notices are provided to workers prior to termination of employment. 2. Ensure workers are paid appropriately based on skill levels. 3. Ensure letter to communicate promotion with information on increase in salary and change of designation and related job benefits is provided when workers are promoted within the category and when workers are promoted as supervisors. 4. Ensure information on wage that will be paid is recorded on the appointment letter for outsourced security guards. 5. Ensure service record of workers is updated at all times with information on increments in wages. 6. Ensure complete information on the amount of deductions from wages for legally mandated benefits is clearly recorded in appointment letters for easy understanding by workers.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>
<p>Local Law</p>	<p>1.Item 13(1) of Schedule 1 appended to Industrial Employment (Standing Orders) Rules 1946: For terminating employment of a permanent workmen, notice in writing shall be given either by the employer or the workmen - one month's notice in the case of monthly-rated workmen and two weeks' notice in the case of other workmen: one month's or two week's pay, as the case may be, may be paid in lieu of notice. 2.Minimum Wages Act, 1948- Section 12(1): Wherein respect of any scheduled employment a notification under section 5 is in force, the employer shall pay to every employee engaged in a scheduled employment under him wages at rate not less than the minimum rate of wages fixed by such notification for that class of employees in that employment without any deductions as may be authorized within such time and subject to such conditions as may be prescribed. 3. No specific legal reference. 4.No specific legal reference. 5.Industrial Employment (standing orders) rules 1946- Form V- appended to Schedule 1-B: Service Card: Every industrial establishment shall maintain a service card in respect of each workman in the form appended to these orders, wherein particulars of that workman shall be recorded with the knowledge of that workman and duly attested by an officer authorized in this behalf together with date. 6. No specific legal reference</p>
<p>Benchmark ID</p>	<p>ER.1.3</p>

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	Workers are not consulted or integrated into the decision-making process of aspects concerning workplace and working conditions (e.g., creation or revision of policies and procedures, changes in production processes, hours of work, etc.)
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	Factory did not provide a written document that substantiates all topics covered in orientation for workers hired in the past 2 months due to a shortage of printed documents. Before that, a written document was provided to workers.
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	Factory does not have written procedures for the formation of workers committee.
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. Chairman of the Internal complaint committee is not designated. The person made responsible by the management is not a senior employee of the company as legally required. 2. Representative from NGO attends meetings once in 2 months and not every month. 3. Penal consequences of Harassment at the workplace are not posted in the factory.
Recommendation for Immediate Action	1. Chairman of Internal complaint committee should be designated. and should be a senior employee of the company. 2. Representative from NGO should attend all meetings 3. Penal consequences of Harassment at workplace should be posted in the factory.
Compliance Classifications	Immediate Action Required

Local Law	1. Sexual Harassment of women at workplace (prevention, prohibition & redressal) act 2013- Section 4(2)(a): Internal Committee shall consist of the following members to be nominated by the employer namely-a Presiding Officer who shall be a woman employed at a senior level at workplace from amongst the employees. 2. Sexual Harassment of women at workplace (prevention, prohibition & redressal) act 2013- Section 4(2)(c): Internal Committee shall consist of the following members to be nominated by the employer namely-one member from amongst non-governmental organizations or association committed to cause of women or a person familiar with issues related to sexual harassment. 3. Sexual harassment of women (prevention, prohibition & redressal) at workplace act 2013- section 19(b): Every employer shall display at any conspicuous place, the penal consequences of sexual harassment.
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	Written policy on Harassment and Abuse defines Harassment and related action that will be taken. 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.5.3

Benchmark Details	Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually.
Finding Details	1. Evacuation drills are conducted once every 2 months. A review of a log of drills conducted in 2022 revealed that drills for general shift workers are conducted closer to lunch break. Drills for the 2nd shift (2.00 pm to 10.00 pm) and the 3rd shift (10.00 pm to 6.00 am) are conducted at 10.00 pm (end of 2nd shift and start of 3rd shift). 2. Log filed for drill conducted in June 2022 and April 2022 had similar dates of the drill i.e - April 2022. The date in the log file for April 2022 was changed to June 2022 while all contents remained the same including the start and end time (hours : minutes: seconds) of the drill.
Recommendation for Immediate Action	1. Evacuation drills should be conducted at varied timings during work hours 2. Accurate documentation should be maintained for evacuation drills conducted.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948- Section 38 (2): Effective measures shall be taken to ensure that in every factory all the workers are familiar with the means of escape in case of fire and have been adequately trained in the routine to be followed in such cases.
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	1. Childcare workers are provided sleeveless aprons to wear on their clothes and are not provided complete clothing. This could be a risk for infection to children from the clothes of attendants.
Recommendation for Immediate Action	It is recommended to provide clean clothes for childcare workers to be worn while at work.

Compliance Classifications	Immediate Action Required
Local Law	Karnataka Factory Rules 1969 - Chapter V -Welfare- section 104. Creche Staff- (4) The creche staff shall be provided with suitable clean clothes for use while on duty in the creche
Benchmark ID	HSE.5.1.6
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: evacuation procedures and fire drills
Finding Details	Factory does not conduct an assessment after the drill to learn how to improve the evacuation process
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.5.1.3
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following elements: installation and maintenance of emergency lighting
Finding Details	Emergency lights are not installed above the rear and side exits from the Cutting section and exit near trim storage area
Recommendation for Immediate Action	Emergency lights should be installed above the rear and side exits from the Cutting section and exit near trim storage area
Compliance Classifications	Immediate Action Required

Local Law	Factories Act, 1948- Section 38 (1) (a): In every factory, all practicable measures shall be taken to prevent outbreak of fire and its spread, both internally and externally, and to provide and maintain safe means of escape for all persons in the event of a fire.
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	Sewing machine operators sit adjacent to each other with no space maintained between them. Access to passages behind them is restricted with single chairs and an extension of seating areas used to store garments. Few had tables behind them restricting space for pushback of their chairs. Some areas inside the chain stitch section in the sewing department were congested restricting quick and easy access to passages for workers.
Recommendation for Immediate Action	Access to passages from all workstations should be maintained clear at all times.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948- Section 38 (1) (a): In every factory, all practicable measures shall be taken to prevent outbreak of fire and its spread, both internally and externally, and to provide and maintain safe means of escape for all persons in the event of a fire.
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	Secondary containers provided for 4 x 200 liter barrels containing diesel is inadequate to contain leaks.

Recommendation for Immediate Action	It is recommended to provide secondary containers with adequate capacity to contain leaks.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
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	One towel is provided in the toilets for use by all workers. This may not be a hygienic practice.
Recommendation for Immediate Action	It is recommended to make appropriate arrangement that is hygienic for use
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
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	Management has not conducted any assessments for determining thermal comfort problem areas.

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	1. Vehicles are not inspected and maintained at the required frequency to determine their ability to be driven safely. 2. Traffic lanes are not marked at all. Speed breakers and convex mirrors are not installed at blind turns to ensure safe driving practices. 3. Laser machines do not have protective guards. 4. Forklift vehicle does not have warning alarms (audio and visual) when in operation inside and outside the fabric storage area. 5. Needle guards were seen pushed upwards on some sewing machines rendering them ineffective in preventing injury to fingers of machine operators. 6. Lifting equipment is inspected half yearly. Factory vehicles are not inspected periodically. Factory has no record of inspection of external cargo vehicles.
Recommendation for Immediate Action	1. Vehicles should be inspected and maintained at the required frequency to determine their ability to be driven safely. 2. Traffic lanes should be marked. Speed breakers and convex mirrors should be installed at blind turns to ensure safe driving practices. 3. Laser machines should have protective guards. 4. Forklift vehicles should have warning alarms (audio and visual) when in operation inside and outside the fabric storage area. 5. Needle guards should be maintained in place to prevent injury to fingers of machine operators. 6. Factory vehicles should be inspected periodically, and inspection reports should be maintained.
Compliance Classifications	Immediate Action Required

Local Law	Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
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. Fire brigade team is not provided any PPE at all like gas masks, fire-resistant hand gloves, Eyeglasses, and safety shoes. 2. Factory has not installed fire sprinklers as was recommended in the annual inspection reports from 2019 by the Government Chief Fire officer of the region where the factory is located. Factory obtained a letter no DFB/MISC/CR - 35 (A) /2018-19 dated January 17, 2019, from the Government Director of Factories, Boilers, Industrial Safety, and Health stating that it was not mandatory to install fire sprinklers in the factory. Hence sprinklers are not installed.
Recommendation for Immediate Action	1. It is recommended to provide PPE to the fire brigade team at the factory. 2. It is recommended to install fire sprinklers in the factory.
Compliance Classifications	Sustainable Improvement Required
Local Law	1. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances. 2. Factories Act, 1948- Section 38 (1) (b): In every factory, all practicable measures shall be taken to prevent outbreak of fire and its spread, both internally and externally, and to provide and maintain the necessary equipment and facilities for extinguishing fire
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.

<p>Finding Details</p>	<p>1. Ladder used to climb to a platform under steam pipes does not have handrails. 2. Cooks making lunch for managerial staff were not using nose masks, hand gloves and closed shoes. 3. Load capacity is not marked on fabric storage racks to ensure safe storage practices. 4. Safety fence or chain was not used at the unloading/loading platform (bay) outside the cutting section when the bay was not in use, to prevent injuries from accidental fall as this platform is also used as an exit for workers. 5. Heat seal machine was being operated by a female worker who was not authorized to operate the machine as per the name and picture of authorized male workers displayed near the machine. 6. Delay of 8 days in 2020 and 30 days in 2021 noted in submitting annual reports to the local State Pollution Control Board. 7. Factory has one qualified boiler operator and one assistant operator who works in shifts. In their absence, the electrician operates the boiler though he is not qualified to operate a boiler. The assistant boiler does not have a license to operate. 8. Sanitary pads are kept with the nurse who charges INR 6 per pad from workers. 9. Creche (Childcare) in charge does not hold legally required qualifications.</p>
<p>Recommendation for Immediate Action</p>	<p>1. Ladder used to climb to a platform under steam pipes should have handrails. 2. Cooks making lunch for managerial staff should use nose masks, hand gloves, and closed shoes. 3. Load capacity should be marked on fabric storage racks to ensure safe storage practices. 4. Safety fence or chain should be used at the unloading / loading platform (bay) outside the cutting section when bay was not in use, to prevent injuries from accidental fall. 5. Heat seal machine should be operated by authorized persons only 6. Annual reports to local State Pollution Control Board should be submitted within legally defined timelines. 7. Boiler should be operated by qualified persons holding a license to operate. 8. Sanitary pads should be provided in toilets. 9. Qualified Creche (Childcare) in charge should be employed.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>

<p>Local Law</p>	<p>1. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances. 2. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances. 3. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances. 4. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances. 5. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances. 6. Hazardous & Other Waste (Management and Transboundary Movement) rules 2016 - Clause 15 - The authorized person shall maintain the records at site in Form -3 and shall submit the annual returns in Form -4 within 30th June every year for period April to March 7. Indian Boilers Act, 1923-Section 6 (e): Where the State Government has made rules requiring that boilers shall be in charge of persons holding Certificates of proficiency or competency, unless the boiler is in charge of a person holding the certificate required by such rules. 8. Model Factories Rules, section 19 (3) and section 112 of Factories Act 1948 – Rule 44c- Sanitary napkins of adequate quantity conforming to Indian standards shall be provided and maintained in women’s toilet for their use and the same replenished on daily basis. (d) – Disposable bins with lids shall be provided within the women’s toilets for collection of used napkins. Used napkins shall be disposed off as per procedure approved by inspector. 9. Karnataka Factories Rules 1969 - Chapter V - Welfare104. Creche Staff (4) The creche staff shall be provided with suitable clean clothes for use while on duty in the creche.</p>
<p>Benchmark ID</p>	<p>HSE.14.3</p>
<p>Benchmark Details</p>	<p>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.</p>

Finding Details	Laser machines do not have warning signs
Recommendation for Immediate Action	Laser machines should have warning signs.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
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	Cleaning of confined places is outsourced. Factory does not monitor safety requirements when persons enter confined places.
Recommendation for Immediate Action	Safety requirements should be monitored and provided for all workers in the factory.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
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	In past 12 months, training on Ergonomics, including lifting techniques, was provided to 35 out of 1948 workers

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.18.1
Benchmark Details	Medical facilities shall be established and maintained in factories as required by applicable laws.
Finding Details	Doctor visits for 2 hours on 3 days every week instead of being present during all working hours as legally required.
Recommendation for Immediate Action	The doctor should be available during all working hours.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act 1948- Section 45 (4): In every factory wherein more than five hundred workers are ordinarily employed, there shall be provided and maintained an ambulance room of the prescribed size, containing the prescribed equipment and in the charge of such medical and nursing staff as may be prescribed and those facilities shall always be made readily available during the working hours of the factory.
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 has conducted a hazard identification assessment and not a risk assessment

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement 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	Factory does not have a practice of inspecting fall protection equipment at regular intervals. 1 of the 5 helmets used in the fabric storage area was seen damaged.
Recommendation for Immediate Action	It is recommended to ensure fall protection equipment is maintained in good condition at all times.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
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	In the past 12 months, training on PPE was provided to 900 out of 1948 workers.

Recommendation for Immediate Action	Ensure training on PPE is provided to all workers.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
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	Except for driver of forklift vehicles, machine training is not provided to ambulance and cargo vehicle drivers.
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	Rest areas are not provided for workers with standing jobs.
Recommendation for Immediate Action	Rest areas should be provided for workers with standing jobs.
Compliance Classifications	Immediate Action Required

Local Law	Factories Act 1948- Section 44 (1): In every factory suitable arrangement for sitting shall be provided and maintained for all workers obliged to work in a standing position, in order that they may take advantage of any opportunities for rest which may occur in the course of their work.
-----------	---

Hours Of Work (HOW)

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	1. Workers work overtime every day as was noted from the review of time cards for sampled workers 2. Twenty-five workers from ironing, packing, and loading work on a 10.00 am to 6.30 pm shift and 11.00 am to 7.30 pm however factory does not have legally required approval to work in these shifts.
Recommendation for Immediate Action	1. Workers should not be required to work overtime as a systematic practice. 2. Factory should not employ workers in shifts that are not approved by local government authorities.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act 1948- Section 61 (1): Notice of periods of work for adults. There shall be displayed and correctly maintained in every factory in accordance with the provisions of sub-section (2) of section 108, a notice of periods of work for adults, showing clearly for every day the periods during which adult workers may be required to work. Karnataka Factory Rules 1969 - Chapter VI - Working Hours for Adults111. Notice of periods of work:- 1[(1)] The notice of periods of work for adult workers shall be in Form 10 on the commencement of the rules or of any change in notice
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	Written policy on hours of work defines objective to ensure the usage of 24 hours and usage of resources. Information on work areas, rest days, and holidays are not included. 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	Workers are informed during the lunch break about overtime work requirements of the day.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

