

# Fair Labor Association: Independent External Factory Assessment

Assessment Date :

**17 Oct 2022**



## Factory Information

FLA Affiliates	Hybrid Apparel
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
Child Labor (CL)	2
Compensation (C)	16
Employment Relationship (ER)	21
Forced Labor (F)	5
Freedom Of Association And Collective Bargaining (FOA)	1
Harassment Or Abuse (H/A)	2
Health, Safety And Environment (HSE)	33
Hours Of Work (HOW)	13

## Assessment Information

Assessor	Insync
Assessment Date	17 Oct 2022
Assessment Purpose	Factory Assessment (In-Person)

## ASSESSMENT RESULTS

### Child Labor (CL)

Benchmark ID	CL.8.1
Benchmark Details	Employers shall collect and maintain all documentation necessary to confirm and verify date of birth of all workers, such as birth certificates.
Finding Details	Employment records (including copy of proof of age) for 29 % of workers is not maintained in the factory. Hence age at time of hiring could not be verified during the assessment. From visual observation though some of these workers appeared to be underaged, they stated they were over 18 years of age.
Recommendation for Immediate Action	Employment records (including copy of proof of age) for 100% of workers should be maintained in the factory.
Compliance Classifications	Immediate Action Required
Local Law	Item 1(iv) under Schedule 1B of The Model Standing orders on additional items applicable to all industries: Every workman shall indicate his exact date of birth to the employer or the officer authorized by him in this behalf, at the time of entering service of the establishment. (eg. matriculation certificate, certified copy of date of birth as recorded in the registers of a municipality, local authority or panchayat or register of birth, or doctors certificate or affidavit.)
Benchmark ID	CL.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning the prohibition of child labor.

Finding Details	Management does not have clarity on definition of child labour. Per their understanding persons below 18 years are considered as Child Labour. They were not aware of the country's legally defined age of a person to considered as Child Labour. They lack awareness on definition of "juvenile" and "young" workers. Factory does not strictly implement a system like verification of age of workers prior to hiring and maintaining proof of age document for all workers. Policy on Child Labour and age verification procedures are not communicated at all to contractors who provided workers to the factory.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

### 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	Factory could not provide record of wage advances made to workers for verification.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement 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	Factory does not communicate rules for wage advances to workers
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	1. For 6 out of 8 contractors, factory pays the contractors based on invoices raised and contractors pay their workers. Pay records are not maintained and factory does not monitor these payments. Hence it cannot be verified if these workers are paid accurate wages. 2. Workers do not sign on any document to acknowledge receipt of compensation.
Recommendation for Immediate Action	1. Factory needs to maintain complete pay records. 2. Workers should acknowledge receipt of compensation.
Compliance Classifications	Immediate Action Required
Local Law	Minimum Wages Central Rules 1950 - VI. Maintenance of registers and Registers-Every employer 10[shall maintain at the workspot a register of wages in the form prescribed] specifying the following particulars for each period in respect of each employed person: (a) The minimum rates of wages payable. (b)The number of days in which overtime was worked. (c) The gross wages; (d)All deductions made from wages. (e)The wages actually paid and the date of payment.

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	Factory calculates day's wage by dividing monthly wage by number of days in each month instead of 26 days every month. With this practice , rate per day varies every month. Wages for days when worker does not report for work is deducted. Hence calculation of wages is incorrect.
Recommendation for Immediate Action	Factory should ensure accurate calculation of wages.
Compliance Classifications	Immediate Action Required
Local Law	Payment of wages act 1936- Section 3: Responsibility for payment of wages- Every employer shall be responsible for the payment to persons employed by him of all wages required to be paid under this Act.
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	1. As a systematic practice, wages are paid between 7 to 15 days post end of wage period. Compensation for overtime work and work done on rest days by some workers employed through contractors is paid after 2 months post end of wage period. Legally all payments are required to be made within 7 days post completion of wage period., Factory does not monitor wage payments for 36 % of workers employed through contractors. 2. Factory pays the contractors and not to his workers. Lack of monitoring and visibility could be a risk for partial payments.
Recommendation for Immediate Action	1. Wages of workers should be paid within 7 working days post end of wage period. 2. Factory should monitor payment of wages to workers employed through contractors.

Compliance Classifications	Immediate Action Required
Local Law	<p>1. Payment of wages act 1936- Section 5 (1): Time of payment of wages-The wages of every person employed upon or in--(a) any railway, factory or industrial or other establishment upon or in which less than one thousand persons are employed, shall be paid before the expiry of the seventh day, 2. Contract labour (Regulation and Abolition) Act 1970 – Chapter VII- section 29. Registers and other records to be maintained.—(1) Every principal employer and every contractor shall maintain such registers and records giving such particulars of contract labour employed, the nature of work performed by the contract labour, the rates of wages paid to the contract labour and such other particulars in such form as may be prescribed. ChapterV-Section. 21. Responsibility for payment of wages.—(1) A contractor shall be responsible for payment of wages to each worker employed by him as contract labour and such wages shall be paid before the expiry of such period as may be prescribed. (2) Every principal employer shall nominate a representative duly authorized by him to be present at the time of disbursement of wages by the contractor and it shall be the duty of such representative to certify the amounts paid as wages in such manner as may be prescribed. (3) It shall be the duty of the contractor to ensure the disbursement of wages in the presence of the authorized representative of the principal employer.</p>
Benchmark ID	C.20.1
Benchmark Details	All workers have a right to use or not to use services provided by employers, such as housing or meals.
Finding Details	Migrant female workers are required to reside in factory provided accomodation
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	



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	<p>Wage rate per hour for overtime hours worked (i) up to 2 hours a day is calculated by dividing monthly wage by number of days in the month to arrive at daily wage which is then divided by 8 hours to arrive at hourly wage . The hourly wage is multiplied by number of overtime hours worked in the month. (ii). For Overtime work beyond 2 hours and until midnight, monthly wage divided by number of days in the month and multiplied by fixed 9.5 hours per day. The figure (9.5 hours) is fixed considering the regular work hours inclusive of breaks ( 9.00pm to 6.30 pm). (iii) for work done in rest days , a day's wage is paid. The calculation of compensation does not meet legal requirements per which calculation of wage rate per hour = Monthly gross wage / 26 days x 2.5 times x number of OT hours worked). Hence workers are not compensation accurately for overtime hours worked.</p>
Recommendation for Immediate Action	Factory should ensure accurate calculation and compensation for overtime hours worked and work done on rest days.
Compliance Classifications	Immediate Action Required
Local Law	<p>Factories Act, 1948- Section 59 (1): Where a worker works in a factory for more than nine hours in any day or for more than 48 hours in any week, he shall, in respect of overtime work, be entitled to wages at the rate of twice his ordinary rate of wages. Minimum wages Central Rules 1950- Rule 23(4): An employee shall be granted for rest day wages calculated at the rate applicable to the next preceding day and in case he works on the rest day and has been given a substituted rest day, he shall be paid wages for the rest day on which he worked, at the overtime rate and wages for the substituted rest day at the rate applicable to the next preceding day.</p>
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	Factory does not have specific defined procedures for workers to raise grievances for wage payments. Workers can approach their respective supervisors and factory manager for any complaints pertaining to wages.
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.

<p>Finding Details</p>	<p>1. Wages for days worked prior to leaving employment is transferred to bank account of workers in the pay cycle following the pay period. Factory does not pay for unused leave of workers who leave employment. Hence factory does not maintain any separate record for terminal dues. 2. Factory's calculation of wage per day is incorrect resulting in incorrect amount being deducted. 3. Wage records were not available for workers 36 % of workers employed through 6 out of 8 contractors. Due to lack of records, deductions could not be verified by assessors. 4. Factory does not provide legally mandated benefit of Provident Fund (Social Security) and Employees State Insurance (Medical benefits) to workers. 5. Factory does not comply with legally defined requirements for payment of wages for workers employed through contractors like payable amounts are not verified and factory does not monitor payments to ensure complete and timely payments. 6. The local government has defined and notified 2 components - Basic wage (56% of minimum wage) and Dearness allowance ( 44% of minimum wage) that make up the minimum wage per month. Factory has split minimum wage into 3 components - Basic wage (50% of minimum wage), House rent allowance (25 % of minimum wage and Special allowance (25% of minimum wage). This violates the wage notification and would impact calculation of employees' and employer's contribution to benefit of Provident Fund (social security). The contribution is calculated at 12 % of basic wage. With the current practice the contributions would be less than legally required. 7. Factory does not provide compensatory rest days to workers for work done on rest days. 8. Factory does not maintain a record for loans provided to workers.</p>
<p>Recommendation for Immediate Action</p>	<p>1. Factory should provide and pay for unused leave of workers who leave employment. Factory should maintain record for terminal dues. 2. Wage per day should be arrived at by dividing monthly wage by 26 days. 3. Wage records should be maintained for all workers 4. Factory should provide legally mandated benefit of Provident Fund (Social Security) and Employees State Insurance (Medical benefits) to workers. 5. Factory needs to comply with legal requirements on maintaining records and ensure complete and timely payment of wages. 6. Factory needs to comply with provision of legally provided wage notifications. 7. Factory should provide compensatory rest days to workers for work done on rest days. 8. Factory should maintain a record for loans provided to workers.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>

Local Law

1. 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. 2. Minimum wage notification- Daily wage shall be arrived by dividing monthly wage by 26 days. 3. Minimum Wages central Rules 1950 - VI. Maintenance of registers and Registers-Every employer 10[shall maintain at the workspot a register of wages in the form prescribed] specifying the following particulars for each period in respect of each employed person:(a) The minimum rates of wages payable. (b)The number of days in which overtime was worked;(c) The gross wages;(d) All deductions made from wages. (e)The wages actually paid and the date of payment. 4. The Employees Provident Funds and Miscellaneous Provisions Act , 1952 - The Act extends to every factory in which 20 or more persons are employed. Section 6: The contribution which shall be paid by the employer to the Fund shall be 12 percent of the basic wages, dearness allowance and retaining allowance (if any) for the time being payable to each of the employees [whether employed by him directly or by or through a contractor], and the employee's contribution shall be equal to the contribution payable by the employer in respect of him. The Employees State Insurance Act 1948 - Every employee (including casual and Temporary employees) whether employed directly or through a contractor who is in receipt of wages up to Rs 21000 per month (excluding remuneration for overtime) is entitled to be insured under the ESI Act. According to Notification issued by Ministry of labor and employment dated 13th June 2019 {GSR 423(E)}- Employer contribution would be 3.25 % of wages earned by employee and employees' contribution would be 0.75% of wages earned with effect from July 1, 2019. 5. Contract labour (Regulation and

Abolition) Act 1970 – Chapter VII- section 29. Registers and other records to be maintained.—(1) Every principal employer and every contractor shall maintain such registers and records giving such particulars of contract labour employed, the nature of work performed by the contract labour, the rates of wages paid to the contract labour and such other particulars in such form as may be prescribed. ChapterV-Section. 21. Responsibility for payment of wages.—(1) A contractor shall be responsible for payment of wages to each worker employed by him as contract labour and such wages shall be paid before the expiry of such period as may be prescribed. (2) Every principal employer shall nominate a representative duly authorized by him to be present at the time of disbursement of wages by the contractor and it shall be the duty of such representative to certify the amounts paid as wages in such manner as may be prescribed. (3) It shall be the duty of the contractor to ensure the disbursement of wages in the presence of the authorized representative of the principal employer. 6. Minimum wage notification. 7. Factories Act 1948- Section 52 (1) (a): No adult worker shall be required or allowed to work in a factory on the first day of the week (hereinafter referred to as the said day), unless he has or will have a holiday for a whole day on one of the three days immediately before or after the said day. Minimum wages Central Rules 1950- Rule 23(4): An employee shall be granted for rest day wages calculated at the rate applicable to the next preceding day and in case he works on the rest day and has been given a substituted rest day, he shall be paid wages for the rest day on which he worked, at the overtime rate and wages for the substituted rest day at the rate applicable to the next preceding day.

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	<p>1. Factory does not maintain wage register as legally required. Pay rolls for 36 % of workers employed through 6 contractors is not maintained at all. These workers are paid by contractors and factory does not monitor such payments though legally factory is required to monitor all wage payments to workers employed by contractors,</p> <p>2. Pay records do not reflect OT hours worked. No record is maintained to reflect actual timings of OT hours. When workers work OT for 2 hours, a note is made as "OT" and for work beyond 2 hours, "Night" is recorded.</p>
Recommendation for Immediate Action	<p>1. Factory needs to maintain complete pay records. 2. Time records should record actual hours of work.</p>
Compliance Classifications	<p>Immediate Action Required</p>
Local Law	<p>Contract labour (Regulation and Abolition) Act 1970 – Chapter VII-section 29. Registers and other records to be maintained.—(1) Every principal employer and every contractor shall maintain such registers and records giving such particulars of contract labour employed, the nature of work performed by the contract labour, the rates of wages paid to the contract labour and such other particulars in such form as may be prescribed. ChapterV-Section. 21. Responsibility for payment of wages.—(1) A contractor shall be responsible for payment of wages to each worker employed by him as contract labour and such wages shall be paid before the expiry of such period as may be prescribed. (2) Every principal employer shall nominate a representative duly authorized by him to be present at the time of disbursement of wages by the contractor and it shall be the duty of such representative to certify the amounts paid as wages in such manner as may be prescribed. (3) It shall be the duty of the contractor to ensure the disbursement of wages in the presence of the authorized representative of the principal employer.</p>
Benchmark ID	<p>C.19.1</p>
Benchmark Details	<p>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.</p>

Finding Details	Factory has not made efforts to ensure workers understand their compensation (including wage calculation, fringe benefits, incentive systems and bonuses)
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	Payrolls are incomplete. Documentation for evidence of payment of wages and overtime compensation like bank statements or vouchers was made available to assessors for review. Hence compliance with timelines for wage payments could not be verified.
Recommendation for Immediate Action	Factory needs to maintain documented evidence for payment of wages
Compliance Classifications	Immediate Action Required
Local Law	Minimum Wages Central Rules 1950 - VI. Maintenance of registers and Registers-Every employer 10[shall maintain at the workspot a register of wages in the form prescribed] specifying the following particulars for each period in respect of each employed person: (a) The minimum rates of wages payable. (b)The number of days in which overtime was worked. (c) The gross wages; (d)All deductions made from wages. (e)The wages actually paid and the date of payment.
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	Wages for days worked prior to leaving employment is transferred to bank account of workers in the pay period following the month of leaving employment irrespective of date of leaving employment.
Recommendation for Immediate Action	Wages as part of terminal dues should be paid within legally defined timelines.
Compliance Classifications	Immediate Action Required
Local Law	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.
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	Factory does not provide workers with a pay slip
Recommendation for Immediate Action	Factory should provide workers with a pay slip.
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 # 5 in appointment letter signed with workers states that probation period is for 6 months and can be extended further . There is no timeline recorded which implies that it can be extended for long periods.
Recommendation for Immediate Action	Probation period should not exceed 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.
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	Workers are not informed, orally and in writing, in language(s) they understand, about overtime wage rates prior to undertaking overtime
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
<b>Employment Relationship (ER)</b>	
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	Factory does not maintain a log of grievances reported. Grievances are reported verbally and addressed.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	Abstracts of Acts are not posted.
Recommendation for Immediate Action	Abstracts of Acts should be posted in the factory.
Compliance Classifications	Immediate Action Required

<p>Local Law</p>	<p>Minimum Wages Central Rules 1950 - rule 22: Notices in {Form IX-A} containing the minimum rates of wages fixed together with {abstracts of} the Act, the rules made thereunder and the name and address of the Inspector shall be displayed in English and in a language understood by the majority of the workers in the employment at the main entrances to the establishment and at its office and shall be maintained in a clean and legible condition. Such notices shall also be displayed on the notice-boards of all sub-divisional and district offices. Factories Act, 1948- Section 108(1)&amp; (2): In addition to the notices required to be displayed in any factory by or under this Act, there shall be displayed in every factory a notice containing such abstracts of this Act and of the rules made thereunder as may be prescribed and also the name and address of the Inspector and the certifying surgeon. (2) All notices required by or under this Act to be displayed in a factory shall be in English and in a language understood by the majority of the workers in the factory, and shall be displayed at some conspicuous and convenient place at or near the main entrance to the factory, and shall be maintained in a clean and legible condition. Payment of Wages Act, 1936-Section 25: The person responsible for the payment of wages to the person (employed in a factory or an industrial or other establishment) shall cause to be (displayed in such factory or industrial or other establishment) a notice containing such abstracts of this act and of the rules made thereunder in English and in the language of the majority of the persons employed (in the factory, or industrial or other establishment), as may be prescribed. Maternity Act, 1961-section 19: An abstract of the provisions of this act and the rules made thereunder in the language or languages of the locality shall be exhibited in a conspicuous place by the employer in every part of the establishment in which women are employed. Payment of Gratuity Act 1972- Section 20: Display of abstract of the Act and Rules:-The employer shall display an abstract of the Act and the Rules made thereunder 1[as given in Form 'U'] in English and in the language understood by the majority of the employees at conspicuous place at or near the main entrance of the establishment.</p>
<p>Benchmark ID</p>	<p>ER.11.2</p>

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	Factory has signed appointment letters with 47 % of workers hired between March 2022 and June 2022. Appointment letters are not signed at all with 24 % of workers hired between July 2022 and October 15, 2022. For rest 29 % of workers hired between March 2021 to February 2022, employment documents were not available in the factory. Management stated that these may be kept in the head office however were not sure if they were available.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement 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. Factory does not provide any ongoing training to workers on all FLA's Code elements and Employment Functions 2. Staff made responsible of social compliance issues at the workplace is not aware of legal requirements. 3. Factory does not provide training on health & hygiene to workers in dormitories.
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 familiar with the workplace disciplinary system
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	Factory does not provide any specific training to the relevant supervisors that includes all FLA's Code elements and 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	1. Factory does not have written policy and procedures on Grievance system. 2.Factory does not have a system in place to address grievances. Grievance reporting channels are not established. Workers report grievances to supervisors. 3. Chairman of grievance committee is not designated and rotated every alternate year as legally required. 4. Worker representative in grievance committee are selected by management and not elected by workers
Recommendation for Immediate Action	1. Factory should have written policies and procedures on grievance systems. 2. Factory should have a system in place to address grievance. 3. Chairman of grievance committee should be designated 4. Worker representative in grievance committee should be elected by workers
Compliance Classifications	Immediate Action Required
Local Law	1.Industrial Disputes Act 1947- Section 9C (1): Setting up of Grievance Redressal Machinery: Every industrial establishment employing twenty or more workmen shall have one or more Grievance Redressal Committee for the resolution of disputes arising out of individual grievances. 2. 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. 3.Industrial Disputes Act 1947- Section 43: Where under rule 42 the workmen's representatives are to be elected in to two groups, the workmen entitled to vote shall be divided in to two electoral constituencies, the one consisting of those, who are members of a registered trade union and the other of those who are not.
Benchmark ID	ER.17.6

Benchmark Details	Employers shall have a system in place to prevent retaliation against or discrimination towards workers who are filing grievances, including grievances regarding harassment, abuse, violations of factory procedures, compensation, or unsafe working conditions
Finding Details	Factory does not have a system in place to prevent retaliation against or discrimination towards workers who are filing grievances, including grievances regarding harassment, abuse, violations of factory procedures, compensation, or unsafe working conditions
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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. Factory have written procedures on recruitment and hiring. 2. Factory does not have written procedures on non- discrimination. 3. Factory does not have policies and procedures on forced labor. 4. Factory does not have written procedures on Child Labour. 5. Factory does not have procedures to remediate child labour issues. 6. Factory does not have policies and procedures on termination and retrenchment. 7. Factory does not have written policy and procedures on compensation. 8. Factory does not written job description prepared for all positions when personnel need to be hired.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.18.1
Benchmark Details	Employers shall have written disciplinary rules, procedures and practices that embody a system of progressive discipline (e.g. a system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warnings to suspension and finally to termination).
Finding Details	1. Factory does not have written policy and procedures on Workplace Conduct and Discipline. 2. Factory does not have a system of progressive discipline (e.g., escalating disciplinary actions). Management is not aware of legally defined procedures 3. Factory does not have certified standing Orders which is a legally guidance on workplace conduct and discipline.
Recommendation for Immediate Action	Factory needs to have certified standing orders posted in the factory which provides guidelines for Workplace conduct and Discipline.
Compliance Classifications	Immediate Action Required
Local Law	The Industrial Employment (Standing Orders) Act, 1946 -Section 3 (1): Within six months from the date on which this Act becomes applicable to an industrial establishment, the employer shall submit to the certifying officer five copies of the draft standing orders proposed by him for adoption in his industrial establishment. Industrial Employment (Standing Orders) Act, 1946-. Section 9- Posting of standing orders.--The text of the standing orders as finally certified under this Act shall be prominently posted by the employer in English and in the language understood by the majority of his workmen on special boards to be maintained for the purpose at or near the entrance through which the majority of the workmen enter the industrial establishment and, in all departments, thereof where the workmen are employed.
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	Factory does not have policies and procedures on performance reviews that include steps and processes, linkages to job grading, nondiscrimination, written feedback, and compliance with legal requirement
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	Factory does not have policies and procedures on promotion, demotion and 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	Factory does not provide regular communication to workers on all 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. Relevant FLA-affiliated company's(ies') written workplace standards are not made available to workers, managers and supervisors. 2. Factory license reflects name as Meridian Clothing Company Fashions LLP. There is no license with factory name "Meridian Clothing Company Private Limited". Pay roll records reflects name of factory as Meridian Clothing Company Private Limited. 3. The license allows factory to employ up to 100 workers however factory currently employs 326 workers. 4. License reflects name as Meridian Clothing Company Fashions LLP and specifies units 108, 109 & 110 on 1st floor and 208, 209 and 210 on second floor and does not include units 101 to 107 on 1st floor and areas used on 3rd floor. All these units are used by the factory. 5. Factory does not maintain documentation in relation to grievance processes. 6. Factory has an arrangement with a person (husband of an employee) who arranges for workers from eastern state of Odisha. These workers are hired on factory pay rolls. The factory pays this person a fixed amount every month for his services. He does not hold a license for this service and factory does not have a written signed agreement with this person for services provided. 7. Factory uses 8 contractors (service providers) for hiring workers apart from hiring workers directly on factory pay rolls. Currently 86% of workers are hired through contractors and 14 % are hired directly on factory payroll. Workers hired through contractors are employees of the contractor and are on pay rolls of the contractors assigned to work in this factory. Factory has written agreement on terms of engagement with the 8 contractors. However, contents of the agreement were not easily legible as faded photocopies are maintained in the factory and original is maintained in head office. In absence of a clear legible document, terms and conditions of agreement could not be reviewed and verified for accuracy and legal compliance. 8. Factory is not legally registered to employ workers provided by contractors. 9. While 6 out of 8 contractors are not legally required to have a license as number of workers are under 20, rest 2 contractors do not have a license (though legally required) to provide workers to the factory as number of workers provided are more 20. 10. Employment records are not filed in order and are incomplete for 86 % of workers employed through external contractors. Documents are not stored in an organized manner. 11. Appointment letters reviewed for sampled workers revealed that for 95 % of workers date of hiring reflects dates in March 2022, hence actual date of hiring could be verified. It appeared all letters were prepared in the same month. 12. Management stated that as a practice, workers are not paid for the 1st week of work as they are under observation and training for skills and behavior. Post

satisfactory performance (based on verbal feedback of supervisors) employment is confirmed and start date of employment is post the 1st week of work and wages are calculated from date of employment. 13. Letter to confirm employment is not provided to workers post completion of probation period. For 95 % of worker, confirmation letter with similar date as appointment letter, was signed by workers with no effective date of confirmation of employment recorded. In letters for 5 out of 32 workers employed on factory pay rolls, the date on confirmation letter was 14 days prior to date of hiring. It appeared these letters were prepared in advance and signature of workers was obtained. 14. Employment history is not updated on individual file of workers. 15. Appointment letters are signed between MCCPL Fashions LLP however factory name is Meridian Clothing Co.Pvt Ltd. Legally the appointment letters are invalid as name of employer is incorrect. 16. Review of travel document (train ticket) of migrant workers hired effective October 1, 2022 revealed that age of one female migrant worker was recorded as 16 years. Assessors verified her age from date of birth recorded in government provided identity card (Aadhar Card) and confirmed that she was 16 years and 2 months on day of hiring i.e October 1, 2022. She is employed as an adult worker and works for 8 regular hours and 2 hours of overtime. Factory did not obtain "fitness certificate" from local government authorities for employing this worker to work as an adult as she is under 18 years of age. This practice violates legal requirements on working hours and nature of job assigned to persons below 18 years.

<p>Recommendation for Immediate Action</p>	<p>1. FLA workplace standards should be made available to employees. 2. Factory should ensure they have proper license to operate. 3. Factory should ensure that approved number of persons as recorded in license are employed. 4. Factory should ensure that all areas occupied by the factory are covered under the license. 5. Factory should maintain complete documentation pertaining to grievances is maintained. 6. Factory should ensure that licensed persons are engaged to provide workers to the factory. 7. Factory should ensure readable agreements are maintained. 8. Factory should register with local government to employ workers through contractors. 9. Factory should use contractors holding valid licenses. 10. Factory should ensure proper filing of documents pertaining to employment. 11. Appointment letters should be signed and provided to workers on day of hiring. 12. Workers should be paid for all days worked. 13. Letter to confirm employment should be provided to workers post completion of probation period. 14. Employment history of workers should be updated on service cards. 15. Information on name of employer should be accurate on appointment letters signed with workers. 16. Factory should ensure compliance with legal requirements for employing workers under 18 years of age.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>

Local Law

1. The Factories Act, 1948- Section 6 (1) (d): The state government may make rules (d) requiring the registration and licensing of factories or any class or description of factories and prescribing the fees payable for such registration and licensing and for the renewal of license. 2. The Contract labor (Regulation & Abolition) Act 1970- Section 12: With effect from such date as the appropriate Government may, by notification in the Official Gazette, appoint, no contractor to whom this Act applies, shall undertake or execute any work through contract labour except under and in accordance with a license issued in that behalf by the licensing officer. 3. The Contract labor (Regulation & Abolition) Act 1970- Section 7 (1) and (2): Every principal employer of an establishment to which this Act applies shall, within such period as the appropriate Government may, by notification in the Official Gazette, fix in this behalf with respect to establishments generally or with respect to any class of them, make an application to the registering officer in the prescribed manner for registration of the establishment. If the application for registration is complete in all respects, the registering officer shall register the establishment and issue to the principal employer of the establishment a "certificate of registration" containing such particulars as may be prescribed. 4. 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. 5. Factories Act 1948 - CHAPTER VII - EMPLOYMENT OF YOUNG PERSONS - Section 68. Non-adult workers to carry tokens. A child who has completed his fourteenth year or an adolescent shall not be required or allowed to work in any factory unless-- section 69. Certificates of fitness. (1) A certifying surgeon shall, on the application of any young person or his parent or guardian accompanied by a document signed by the manager of a factory that such person will be employed therein if certified to be fit for work in a factory, or on the application of the manager of the factory in which any young person wishes to work, examine such person and ascertain his fitness for work in a factory (a) a certificate of fitness granted with reference to him under section 69 is in the custody of the manager of the factory. (1A) No female adolescent or a male adolescent who has not attained the age of seventeen years but who has been granted a certificate of fitness to work in a factory as an adult, shall be required or allowed to work in any factory except between 6 A.M. and 7 P.M.

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	Orientation program for new workers is not conducted at all.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.14.2
Benchmark Details	Employers shall use standard contract language with employment agencies or intermediaries that specifically prohibits practices that restrict any worker's freedom of movement or ability to terminate their own employment.
Finding Details	Factory does not have standard language with employment agencies/intermediaries that specifically prohibits practices that restrict any worker's freedom of movement or ability to terminate their own employment
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.Factory's policies and procedures on all FLA's Code elements and Employment Functions are not reviewed regularly. 2. Workers are not consulted or 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
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.12
Benchmark Details	For any contract/contingent/temporary worker who becomes a permanent employee, seniority and other fringe benefits eligibility must be dated from the first date as a contract/contingent/temporary worker and not from the first day of permanent employment.
Finding Details	Workers are confirmed for employment post 1st week of working and wages are calculated post confirmation. Wages for work done in the 1st week prior to confirming employment is not paid.
Recommendation for Immediate Action	Factory needs to ensure that workers are paid for all days worked.
Compliance Classifications	Immediate Action Required

Local Law	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.
Benchmark ID	ER.17.2
Benchmark Details	There shall be a mechanism that allows workers to report harassment and grievances confidentially, including any concerns or problems they may be experiencing around legally owed payments during a retrenchment process.
Finding Details	Factory has not provided any channel for workers to raise grievances in a confidential manner
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 does not conduct orientation program at all for new workers
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

## Forced Labor (F)

Benchmark ID	F.5
Benchmark Details	Employers shall not require workers to live in employer-owned or -controlled residences as a condition of recruitment, continued employment or to receive the same terms of employment and working conditions as other workers in the same position.
Finding Details	1. Female migrant workers from eastern state of Odisha are required to stay in factory provided accommodation. Management stated that for safety reasons, these workers are not allowed to stay elsewhere.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	F.7.1.4
Benchmark Details	Employers shall not utilize, nor shall they use employment agencies or intermediaries that utilize, practices that restrict any worker's freedom of movement, or ability to terminate their own employment, or that create a threat of penalty. Examples of such practices include, but are not limited to requiring workers to pay recruitment and/or employment fees.
Finding Details	Though management stated that workers do not need to pay a fee and factory pays the contractors for getting workers, information gathered from all sampled migrant workers interviewed revealed that workers need to pay back travel costs from their homes to factory location to the contractor post receiving wages upon completion of 1st month in employment.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	F.7.1.6
Benchmark Details	Employers shall not utilize, nor shall they use employment agencies or intermediaries that utilize, practices that restrict any worker's freedom of movement, or ability to terminate their own employment, or that create a threat of penalty. Examples of such practices include, but are not using false information to recruit workers.
Finding Details	Except for information on wages, information on benefits, policies , rules and regulations is not shared with migrant workers .
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	F.7.1
Benchmark Details	Employers shall not utilize, nor shall they use employment agencies or intermediaries that utilize, practices that restrict any worker's freedom of movement, or ability to terminate their own employment, or that create a threat of penalty.
Finding Details	Factory does not have a system in place for migrant workers and workers employed through contractors to be able to terminate their employment without punishment from the factory, recruitment agency, or intermediary
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Benchmark ID	F.2.2
Benchmark Details	Employment terms shall be those to which the worker has voluntarily agreed, in as far as those terms do not fall below provisions of national laws, freely negotiated and valid collective bargaining agreements, or the FLA Workplace Code.
Finding Details	From management and worker interviews, it was noted that appointment letters are not provided to workers at all. Review of documents revealed that letter to confirm employment post completion of probationary period is signed in advance by some workers however is not provided to workers.
Recommendation for Immediate Action	Letter to communicate confirmation of employment should be provided to workers post completion of probation period.
Compliance Classifications	Immediate Action Required
Local Law	The Industrial Employment (SO) Act, 1946-Item 2 of Schedule 1B: The employer under terms and conditions stipulated in the letter of appointment, confirm the eligible workman and issue a letter of confirmation to him. Whenever a workman is confirmed, an entry with regard to the confirmation shall also be made in his service card within a period of thirty days from the date of such confirmation.

### **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 on Freedom of Association and 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. Internal complaints committee formed does not comply with legal requirements. President is not designated and NGO representative is not included. 2. Meetings are not conducted by Internal complaints committee. 3. Sensitization program for workers on harassment at workplace is not conducted at all. 4. Penal consequences of Harassment at workplace is not posted in the factory.
Recommendation for Immediate Action	1. Internal complaints committee should designate a President and have NGO representative. 2. Meetings should be conducted periodically by Internal complaints committee. 3. Sensitization program for workers on harassment at workplace should be conducted periodically 4. Penal consequences of Harassment at workplace should be posted in the factory.
Compliance Classifications	Immediate Action Required

Local Law	<p>1. Sexual Harassment of women at workplace (prevention, prohibition &amp; 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. Sexual Harassment of women at workplace (prevention, prohibition &amp; 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. 2. Sexual Harassment of women at workplace (prevention, prohibition &amp; redressal) act 2013 - Meetings should be conducted periodically. 3. Sexual harassment of women (prevention, prohibition &amp; redressal) at workplace act 2013- section 19(c): Every employer shall organize workshops and awareness programs at regular intervals for sensitizing the employees with provisions of the act 4.Sexual harassment of women (prevention, prohibition &amp; redressal) at workplace act 2013- section 19(b): Every employer shall display at any conspicuous place, the penal consequences of sexual harassment.</p>
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	Factory does not have written policy and 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	Factory does not have written procedures on Environment protection.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.5.3
Benchmark Details	Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually.
Finding Details	Evacuation drills are not conducted at all. Management is not aware of legal requirements and procedures for safe evacuation .
Recommendation for Immediate Action	Evacuation drills should be conducted periodically .
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



<p>Benchmark Details</p>	<p>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.</p>
<p>Finding Details</p>	<p>1. Factory does not have designated assembly areas for use in case of emergency evacuation. 2. One exit is provided from unit 104 where 30 workers are working. 3. Main exit to open areas ( public road in front of factory building) from upper floors using staircase to ground floor was blocked with cargo trucks parked for loading / unloading material. Assessors had to squeeze their way through between the trucks and building walls to enter the factory building. 4. All exits have roll down shutter doors on the outside and doors opening inwards behind the shutter doors. 5. Aisles and evacuation route are not marked at all in unit 104 where 30 workers are working. These are marked in other work areas</p>
<p>Recommendation for Immediate Action</p>	<p>1. Assembly areas should be designated. 2. A second exit should be provided in unit 104 3. Exits should be maintained clear . 4. Exits should have doors opening outwards 5. Aisles and evacuation route should be marked at all in unit 104</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>

Local Law	<p>1. 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.</p> <p>2. Factories Act 1948 - For every building of structure used for storage only, and every section thereof considered separately, shall have access to at least one exit so arranged and located as to provide suitable means of escape for any person employed therein, and in any such room wherein ten persons may be normally present, at least two separate means of exit shall be available as remote from each other as practicable.</p> <p>4. Factories Act 1948 - Exit doorways shall open outwards, that is, away from the room but shall not obstruct the travel along any exit. No door when opened, shall reduce the required width of stairway of landing to less than ninety centimeters. Overhead or sliding doors shall not be installed for this purpose.</p> <p>5. 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.</p>
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	Evacuation drills are not conducted at all and no assessment is conducted.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	Most walkways, evacuation routes in all work areas were completely or partially blocked with bins used to store garments. In some work areas in sewing, checking and finishing sections, workers were completely caged in their work stations with no access to passages.
Recommendation for Immediate Action	Walkways and passages 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	1. Factory stores chemicals (white petrol) in small containers which is used for removing stains from garments. Fire extinguisher is not provided in chemical storage room. 2. Spill response kit is not provided in chemical storage area. 3. Secondary containment is not provided for chemical container. 4. Hazardous waste storage containers do not have labels.
Recommendation for Immediate Action	1. Fire extinguisher should be provided in chemical storage room. 2. Spill kit should be provided in chemical storage room. 3. Secondary containment should be provided for chemical container. 4. Hazardous waste storage containers should have identification and warning labels.

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.2
Benchmark Details	All documents required to be available to workers and management by applicable laws (e.g. health and safety policies, MSDS, environmental emergency plans) shall be made available in the prescribed manner and in the local language or language spoken by the workers, if different from the local language.
Finding Details	Inspection report of compressor installed in the factory was not available for review.
Recommendation for Immediate Action	Inspection report of compressor installed in the factory should be available for review.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act 1948 - Every plant of machinery other than the working cylinders of prime movers used in a factory shall be thoroughly examined by a competent person. (i) externally, once in every period of six months, to ensure general condition of the vessel and the working of its fitting; (ii) internally, once in every period of twelve months, to ensure condition of the walls, seams and ties both inside and outside of the vessel, soundless of the part of the vessel and the effects of corrosion. iii) If by reason of construction of the vessel thorough internal examination is not possible this examination may be replaced by a hydraulic test which shall be carried out once in every two years.
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 is only one narrow exit using the only staircase from the 3rd floor apartment used to accommodate female workers. There are no first aid kits, emergency lights and fire extinguishers installed. In case of any need, workers contact the compliance officer who lives close to the apartment.
Recommendation for Immediate Action	Factory needs to ensure adequate safety measures are implemented in accommodations provided for workers.
Compliance Classifications	Immediate Action Required
Local Law	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. Factories Act 1948- Section 45 (1): There shall in every factory be provided and maintained so as to be readily accessible during all working hours first-aid boxes or cupboards equipped with the prescribed contents.
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. Housekeeping standards of washrooms is poor. 2. Walls in male bathrooms have spit stains of chewing tobacco and doors in 1 out 3 stalls in male toilets is damaged. 3. Soap and hand drying facility is not provided at all in toilets.
Recommendation for Immediate Action	1.. Housekeeping standards of washrooms needs to be improved. 2. Walls in male bathrooms should be maintained clean and doors should be maintained in good condition. 3. Soap and hand drying facility should be provided at all in toilets.
Compliance Classifications	Immediate Action Required

Local Law	Factories Act, 1948-Section 19(1) (a) : In every factory, sufficient latrine and urinal accommodation of prescribed types shall be provided conveniently situated and accessible to workers at all times while they at the factory. Factories Act, 1948-Section 19(1) (d): All such accommodation shall be maintained in a clean and sanitary condition at all times
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.Lighting in ironing section was low. 2. Workers in ironing section had removed their shirts while working indicating uncomfortable temperatures in the area. 3. Electrical wiring near main switch board installed outside of Unit 110 is haphazard and not properly caged to restrict /prevent accidental contact by persons. 4. Excessive buildup of lint was seen on electric switch boards, fans and electric cable trays. 5. Taped electric chords are seen on all electrical installations like overhead tube lights and fans.
Recommendation for Immediate Action	1.Lighting in ironing section should be improved. 2. Better ventilation should be provided for workers in ironing section. 3. Electrical wiring near main switch board installed outside of Unit 110 should be arranged in a manner to restrict access and prevent injury due to accidental contact by persons. 4. Electric switch boards, fans and electric cable trays should be maintained clean at all times. 5. Taped electric chords on all electrical installations like overhead tube lights and fans should be replaced with continuous chords.
Compliance Classifications	Immediate Action Required

Local Law	1. Factories Act, 1948-Section 17: In every part of a factory where workers are working or passing there shall be provided and maintained sufficient and suitable lighting, natural or artificial, or both. 2. Factories Act, 1948-Section 13 (1) (b): Effective and suitable provision shall be made in every factory for securing and maintaining in every workroom such a temperature as will secure to workers therein reasonable conditions of comfort and prevent injury to health. 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.
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	1. Belt guards and finger guards are not installed on 2 out 2 snap button machines. 2. Needle guards are not installed on sewing machines at all. 3. Nonslip pads are missing from pedals of most sewing machines. Workers were seen operating these machines bare feet. 4. Proper lightning protection system is not provided in the factory. 5. Management is not aware and does not implement LOTO arrangements at all.
Recommendation for Immediate Action	1. Belt guards and finger guards should be installed on 2 out 2 snap button machines. 2. Needle guards should be installed on sewing machines. 3. Nonslip pads should be provided on pedals of sewing machines. 4. Lightening protection system should be installed in the factory. 5. Management should implement LOTO arrangements.
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 extinguishers are not provided at all in a Unit 104 where 30 workers are working. Access to one extinguisher located near dining area was blocked and extinguisher was hidden behind waste material stored against it, one extinguisher in cutting section was covered with fabric bundles and access to fire extinguisher in packing section was blocked with packing boxes. 2. Factory does not have hose, sprinkler system. Only fire extinguishers are provided. 3. Contact information for medical responses is posted at entrance to office area only and not in work areas.
Recommendation for Immediate Action	1. Fire extinguishers should be provided at all in a Unit 104 . 2. It is recommended to install hose and sprinkler system in work areas. 3. Contact information for medical responses should be posted in all work areas.
Compliance Classifications	Immediate Action Required
Local Law	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.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	A 3 bedroom apartment in a residential building is leased by the factory to accommodate migrant female workers. Currently 10 workers ( 3 to 4 workers in a room) reside in the apartment. Gas stove and cylinder is provided by the factory and workers cook their own meals. Workers are required to pay for the gas cylinder. Bedding and locker facilities are not provided at all and workers sleep on the floors. During the visit, it was noted that workers keep their belongings on the floor and also raw vegetables and groceries were kept on the floor.
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	1. Factory does not have a valid fire license. License issued on August 5, 2022 in the name of MCCPL Fashions LLP was valid for period January 1, 2022 to June 30, 2022 and it covered units 108 , 109, and 110 on first floor only and did not cover units 101 to 108 on 1st floor, units 208, 209 and 210 on second floor and area used in 3rd floor. It was noted that the license was issued in "August 2022" with validity period from "Jan 1, 2022 to June 30, 2022". The license is invalid.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
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. Factory constructed additional 2nd and 3rd floors to the building. However, approval from local government authorities for the additional construction and building stability certificate post construction was not obtained by factory. 2. Factory constructed additional 2nd and 3rd floors to the building. However, approval for the additional construction from local government authorities and building stability certificate post construction was not obtained by factory. Hence it cannot be verified if the building complies with legal requirements and if it is safe for operations. Factory obtained a stability certificate in the name of "MCCPL Fashions LLP "on April 12, 2022, from an external firm" MAA AMBE INDUSTRIAL ENGG. SERVICES" stating that workers will be employed on First floor, Mezzanine floor and second floor. However, factory employs workers on 3rd floor (used as cutting section). Name of inspector from the firm, registration number and competency certificate of the external engineer was not available for review hence it cannot be verified if the certificate is valid and complies with legal requirements 3. Factory does not separate hazardous and non-hazardous waste. 4. Electric and fabric waste is stored together against wall in dining area 5. Access to waste storage area is not restricted at all. 6. Hazardous waste collection area does not have the appropriate safety precautions 7. Factory does not use authorized waste facilities to dispose of its waste (solid and hazardous) instead sells to local scrap dealers and waste collectors. 8. Stack height and quality of air emission from power generators is not tested at all. 9. Factory does not provide training to health & safety committee members 10. Factory does not have a written lease agreement with owner of apartment housing 10 female migrant workers. This could be risk for these migrant workers. 11. Packing boxes and materials like pallets and unused material is stored in unit 105 in a haphazard manner. Accessories storage area is disorganized overloaded with material kept on walkways. This could also be a risk for fire. 12. Workers were seen carrying fabric bundles on their shoulders with necks bent to one side in a manner that could cause bodily injury. 13. Smoke detectors are not installed in the factory especially in material (fabric and accessories) storage areas. 14. Emergency lights are not installed in the factory at all including work areas, above exits and on staircase landings. 15. Fusing areas are congested and 2 out of 4 workers were seen sitting on tables on which fusing machines were kept while operating the machines. This could be risk for accidents. 16. Large quality of fabric was packed in poly bags and stored against wall in dining area. This could be a fire hazard. 17. Most lockers provided for workers in dining area are damaged. 18. Sample making section on mezzanine floor is

	<p>congested and has low roof. Workers need bend low up to waist level to walk through the area 19. Sanitary pads are not provided for female workers. This is a legal requirement. 20. Evacuation plans are not posted t all in the factory. 21. Childcare facility is not provided though it is a legal requirement. 22. Canteen facility is not provided though it is a legal requirement.</p>
<p>Recommendation for Immediate Action</p>	<p>1. Factory should obtain approval from local government authorities for the additional construction and building stability certificate post construction. 2. Factory should obtain a valid stability certificate with appropriate information 3. Hazardous and non-hazardous waste should be separated. 4. Electric and fabric waste should be stored away from wall in dining area 5. Access to waste storage area should be restricted. 6.Hazardous waste collection area should have appropriate safety precautions 7.Factory should use authorized waste facilities to dispose of its waste (solid and hazardous) instead of selling to local scrap dealers and waste collectors. 8. Stack height and quality of air emission from power generators should be tested. 9.Factory should provide training to health &amp; safety committee members 10. Factory should have a written lease agreement with owner of apartment housing 10 female migrant workers. 11. Packing boxes and materials like pallets and unused material should be stored in unit 105 in an organized manner. Accessories storage area should be organized. 12. Workers should be trained in lifting weights to reduce bodily injury. 13. Smoke detectors should be installed in the factory especially in material (fabric and accessories) storage areas. 14. Emergency lights should be installed in the factory in work areas, above exits and on staircase landings. 15. Fusing areas should be decongested 16. Fabric packed in poly bags should be stored away from factory wall in dining area. 17. Lockers provided for workers in dining area should be maintained in usable condition. 18. Sample making section on mezzanine floor should be relocated . 19. Sanitary pads should be provided for female workers. 20. Evacuation plans should be posted in the factory. 21. Childcare facility should be provided 22. Canteen facility should be provided.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>

<p>Local Law</p>	<p>1. Factories Act 1948 - No manufacturing process shall begin or carried on in any building or part of a building until a certificate of stability of the building, or part of building in Form-2 signed by a person possessing the qualification prescribed in sub-rule (4) has been delivered to the chief inspector through the inspector of factories of the region concerned and accepted by him. No extended portion of any factory shall be used as the part of a factory anytime after the extension nor any plant or machinery shall be added in the factory, not brought into use anytime after such addition until a certificate in respect of such extension or plant has been delivered to the chief inspector of factories of the region concerned and accepted by the chief inspector of factories. 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. 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. 4. Factories Act, 1948- Section 46(1): The state government may make rules requiring that in any specified factory wherein more than two hundred and fifty workers are ordinarily employed, a canteen or canteens shall be provided and maintained by the occupier for the use of the workers. 5. Factories Act 1948- Section 48(1): In every factory wherein more than thirty women workers (50 employees amended in 2017) are ordinarily employed, there shall be provided and maintained, a suitable room or rooms for the use of children under the age of six years of such women. 6. 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.</p>
<p>Benchmark ID</p>	<p>HSE.28</p>
<p>Benchmark Details</p>	<p>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.</p>

Finding Details	Factory does not provide safety information to contractors
Recommendation for Immediate Action	Factory should provide safety information to contractors
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.14.3
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 displayed near any machinery used in the factory.
Recommendation for Immediate Action	Safety instructions should be displayed near any machinery used 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.12
Benchmark Details	Employers shall ensure that women are not engaged in work that constitutes a substantial risk to their reproductive health.
Finding Details	Factory does not have measures to protect the reproductive health of workers through minimizing their exposure to workplace hazards

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.20
Benchmark Details	Employers shall establish the number of toilets required under applicable laws within reasonable distance of the workplace. In addition, the following should also be considered: number of toilets based on number of workers, privacy for each individual and gender, accessibility and hygiene.
Finding Details	There are 3 toilets for 140 female workers against requirement of 6 toilets calculated at 1 toilet for every 25 female workers.
Recommendation for Immediate Action	Factory should provide adequate number of toilets for use by female workers.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act 1948 - Latrine accommodation shall be provided in every factory on the following scale: -- (a) Where females are employed, there shall be at least one latrine seat for every 25 females.
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. Factory does not have written procedures and also does not follow safety procedures when cleaning the tanks. 2. Fall protection equipment like helmets and safety ropes are not provided and used by maintenance persons at all. Tables are used to climb instead of using platform ladders to place fabric bundles on higher racks in fabric storage area. 3.Safety shoes, hand gloves and eye shields are not provided at all for maintenance workers.

Recommendation for Immediate Action	1. Factory should have written procedures and should follow safety procedures when cleaning water tanks. 2. Fall protection equipment like helmets and safety ropes should be provided and used by maintenance persons at all. Platform ladders should be to place fabric bundles on higher racks in fabric storage area. 3.Safety shoes, hand gloves and eye shields should be provided at all for maintenance 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.17.2
Benchmark Details	Employers shall train workers in proper lifting techniques, and items such as lifting belts shall be provided.
Finding Details	Training on ergonomics and lifting techniques is not provided at all to workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.30.3
Benchmark Details	Environmental policies shall include procedures to minimize environmental impacts with respect to energy, air emissions, water, waste, hazardous materials, and other significant environmental risks.



Finding Details	Environmental protection policy does not include a statement of the factory management's general support of energy and water efficiency, and a commitment to minimize impacts with respect to air emissions, waste, hazardous materials and other applicable environmental risks
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	Factory does not have MSDS for white petrol stored in the factory.
Recommendation for Immediate Action	MSDS for white petrol stored and used in the factory should be made available
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.23.1
Benchmark Details	Safe and clean drinking water shall be freely available at all times, within reasonable distance of the workplace. Drinking water shall be of a reasonable temperature. The means to drink water (e.g. cups) must be safe and sanitary and available in an appropriate number.

Finding Details	2 glasses are provided at drinking water station for common use by all workers. This arrangement may not be a hygienic. Drinking water is not tested periodically and drinking water stations are not cleaned periodically.
Recommendation for Immediate Action	Appropriate hygienic arrangement should be made at drinking water points.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 18 (1) : In every factory effective arrangements shall be made to provide and maintain at suitable points conveniently situated for all workers employed therein a sufficient supply of wholesome drinking water.
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	Factory has not conducted a risk assessment
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	Factory does not maintain record of injuries and accidents.
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	1. Eye shield is not provided to snap button machine operators. 2. Hand gloves are not provided to workers working near fusing machines. 3. Workers operating stain removing guns are not provided with hand gloves to protect injury to fingers from high speed pressure water spray. 4. Rubber mats are not provided to workers in ironing section to prevent injury from electric shock. , Mesh gloves provided to all cutting machine operators is of a standard size and not adjustable to actual fit on hands.

Recommendation for Immediate Action	1. Eye shield should be provided to snap button machine operators. 2. Hand gloves should be provided to workers working near fusing machines. 3. Workers operating stain removing guns should be provided with hand gloves to protect injury to fingers from high speed pressure water spray. 4. Rubber mats should be provided to workers in ironing section to prevent injury from electric shock. 5. Mesh gloves provided to all cutting machine operators should be adjustable to actual fit on hands.
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	Training on PPE is not provided at all to workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.5.2
Benchmark Details	Workers shall be trained in evacuation procedures.
Finding Details	Workers are not assigned specific duties in case of an event of fire and hence training is not provided

Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.16
Benchmark Details	Workers shall not suffer any negative consequences for refusing to work with machinery, equipment or tools that are not properly guarded or reasonably considered unsafe.
Finding Details	Workers have not been communicated their right to refuse to perform work under unsafe conditions
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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. Training on use of machinery is not provided at all to workers. 2. Training to workers with high-risk responsibilities is not provided at all.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

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	Factory has not trained workers on safe chemical handling procedures. Workers do not use PPE (hand gloves, masks and apron) while using chemicals.
Recommendation for Immediate Action	Factory should train workers on safe chemical handling procedures. Workers should be provided PPE (hand gloves, masks and apron) while using chemicals and usage should be monitored.
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.17.1
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. Anti - fatigue mats and rest areas are not provided for workers with standing jobs. Workers in checking stations were seen resting one foot on lower platforms of tables used. 2. Workstations are not adjustable in height to suit height of workers. Short workers were working on high checking tables causing strain on their shoulder joints.
Recommendation for Immediate Action	1. Anti - fatigue mats and rest areas should be provided for workers with standing jobs. Workers in checking stations were seen resting one foot on lower platforms of tables used. 2. Workstations should be adjustable in height to suit height of workers.
Compliance Classifications	Immediate Action Required

Local Law	<p>1. 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. 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.</p>
<b>Hours Of Work (HOW)</b>	
Benchmark ID	HOW.22.2
Benchmark Details	Accurate time records shall be maintained by employers, including overtime, breaks, and leave.
Finding Details	<p>1. While factory working hours are from 9.00 am to 6.00 pm (inclusive of 60 minutes break) , manual time records reflect work hours from 9.30 am to 6.30 pm. Management could not provide any explanation for the difference in work timings. 2. Entries in electronic time recording system do not match with manual records. Data on time cards from electronic system reflects start timing of shift 15 minutes to 1.15 earlier than timing recorded manually by security guards. Names of some workers were missing from electronic system though their names and work hours are recorded in manual records. 3. Actual time of exit after overtime work is not recorded in manual time records and exit time for all workers reflects 6.30 pm ( end of regular working hours). Overtime work done until 8.00pm is recorded as "OT" work in a separate record. For workers working until midnight post completion of regular work hours, entry is made in manual time records stating "night". Management stated that "OT" indicates 2 hours of work and "Night" indicates work until midnight.</p>
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

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	Factory does not have a system in place to ensure overtime is voluntary. However workers had no complaints.
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	1. Female workers work overtime beyond 7.00 p.m. 2. Factory has not obtained legally required approval for work hours and weekly rest days. Weekly rest day was changed from Sunday to Fridays effective June 2022 and factory did not obtain approval from local government authorities prior to implementation.
Recommendation for Immediate Action	1. Female workers should not be employed beyond 7.00 p.m. 2. Factory should obtain legally required approval for work hours and weekly rest days.
Compliance Classifications	Immediate Action Required



Local Law	1. Factories Act 1948- Section 66 (1) (b): Further restrictions on employment of women. The provisions of this Chapter shall, in their application to women in factories, be supplemented by the following further restrictions, namely- no woman shall be required or allowed to work in any factory except between the hours of 6 A.M. and 7 P.M. 2. Factories Act 1948 - The notice of periods of work for adult workers shall be in Form 11 provided that the notice of periods of work for adult workers employed 5[in the place declare and deemed to be a factory] under section 85 of the Act shall be, in Form 36 and shall be maintained by the occupier or manager of the factory
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	Factory does not have written procedures on working hours
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HOW.15
Benchmark Details	Employers shall not impose any sanction on workers for requesting or taking any type of leave, such as annual, sick, or maternity, in line with all applicable rules and procedures.
Finding Details	Legally mandated leave benefits like earned leave, sick leave are not provided at all to workers.
Recommendation for Immediate Action	Legally mandated leave benefits like earned leave, sick leave should be provided at all to workers.
Compliance Classifications	Immediate Action Required

Local Law	Factories Act 1948 - Casual and sick leave- Every worker shall, in each calendar year, be allowed by the employer casual leave for seven days and sick leave for fourteen days in such manner and on such conditions as may be prescribed.
Benchmark ID	HOW.22.4
Benchmark Details	Employers shall not maintain multiple time-keeping systems and/or records.
Finding Details	Work hours are maintained manually and also in electronically. Management initially shared that wages are calculated based on electronic time records and manual records are maintained as a back up. However post finding incomplete electronically maintained records, management reversed their statement .
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HOW.14
Benchmark Details	Employers shall provide workers taking annual leave their normal or average wages for the full period of annual leave in advance, unless specified differently under national laws, regulations and procedures.
Finding Details	Factory does not compensate workers at all for leaves.
Recommendation for Immediate Action	Factory should ensure workers use their leaves.
Compliance Classifications	Immediate Action Required

Local Law	Factories Act 1948, Chapter VIII- Annual Leave with wages- Section 79 (5) - If a worker does not in any one calendar year take the whole of the leave allowed to him under sub-section (1) or sub-section (2), as the case may be, any leave not taken by him shall be added to the leave to be allowed to him in the succeeding calendar year: Provided that the total number of days of leave that may be carried forward to a succeeding year shall not exceed thirty in the case of an adult or forty in the case of a child. 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.
Benchmark ID	HOW.11.1
Benchmark Details	Employers shall provide workers with paid annual leave as required under national laws, regulations and procedures.
Finding Details	Legally mandated benefit of earned leave is not provided at all to workers. If workers need leave, they can stay away from work and are marked absent with no pay. Factory follows a practice of "No work - No Pay".
Recommendation for Immediate Action	Legally mandated benefit of earned leave should be provided to workers.
Compliance Classifications	Immediate Action Required

Local Law	Factories Act, 1948- Section 79(1): Every worker who has worked for a period of 240 days or more in a factory during a calendar year shall be allowed during the subsequent calendar year, leave with wages for a number of days calculated at the rate of -(i) if an adult, one day for every twenty days of work performed by him during the previous calendar year.
Benchmark ID	HOW.16
Benchmark Details	Employers shall provide workers with sick leave as required under national laws, regulations and procedures.
Finding Details	Factory has not registered itself and workers under legally mandated "Employees State Insurance Scheme" with concerned government authorities. Hence workers do not receive benefits of sick leave. If workers are sick and do not report for work, they are marked absent and wages are not paid for days that they stay away from work.
Recommendation for Immediate Action	Factory should register itself and workers under legally mandated "Employees State Insurance Scheme" with concerned government authorities to ensure workers are provided with benefits of sick leave.
Compliance Classifications	Immediate Action Required
Local Law	Employees State Insurance Regulations 1950- Regulation 10-B: The employer in respect of a factory or an establishment to which the Act applies for the first time and to which an Employer's Code Number is not yet allotted, and the employer in respect of a factory or an establishment to which the Act previously applied but has ceased to apply for the time being, shall furnish to the appropriate Regional Office not later than 15 days after the Act becomes applicable, as the case may be, to the factory or establishment, a declaration of registration in writing in Form-01 and Form-01-A (hereinafter referred to as Employer's Registration Form).
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	Overtime requirements are notified during tea break post lunch break and not prior to start of shift.
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	Complete time records for past 12 months was not available for review. Factory could not provide time records for 100 % of workers for any month in past 12 months period.
Recommendation for Immediate Action	Factory should maintain complete time records.
Compliance Classifications	Immediate Action Required
Local Law	Minimum Wages Central Rules 1950 - Chapter VI. Maintenance of registers and Registers- Every employer 10[shall maintain at the workspot a register of wages in the form prescribed] specifying the following particulars for each period in respect of each employed person:(a) The minimum rates of wages payable; (b) The number of days in which overtime was worked;(c) The gross wages;(d) All deductions made from wages;(e) The wages actually paid and the date of payment
Benchmark ID	HOW.22.5

Benchmark Details	Time records maintained shall be authentic and accurate.
Finding Details	In spite of repeated requests, factory could not provide complete records for any worker for regular and overtime hours worked for any 1 month for past 12 month period. Due to lack of complete document assessors could not verify working hours in the factory. Management kept changing information regarding recording and availability of records. Some records were provided for review however were not complete with information on all hours worked. For any missing information, management stated that information is maintained separately and can be shared. Post repeated reminders, they came back stating records were not available or could not be located in the office. Assessors spent one half of day 2 to review time records however were not provided with complete and accurate information. Management initially shared that wages are calculated based on electronically generated time records and manual records are maintained as a back up. However post finding incomplete electronically maintained records, management reversed their statement.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HOW.22.3
Benchmark Details	Time worked by all workers, regardless of wage system, shall be fully documented by time cards or other mechanical or electronic recording systems.
Finding Details	Work hours are recorded by Security guards and entries are not signed by workers. Workers use the electronic system as well to record their working hours themselves. However the electronic system is not used for calculation of wages
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	

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