

# Fair Labor Association: Independent External Factory Assessment

Assessment Date :

**08 Jun 2023**



## Factory Information

FLA Affiliates	KMD Brands
Country	India
Number of Workers	93

## Understanding this Report

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

## FLA Code Element

## Number of Violations

Compensation (C)	4
Employment Relationship (ER)	17
Freedom Of Association And Collective Bargaining (FOA)	1
Harassment Or Abuse (H/A)	2
Health, Safety And Environment (HSE)	22
Hours Of Work (HOW)	2

## Assessment Information

Assessor	Insync
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Assessment Date	08 Jun 2023
Assessment Purpose	Factory Assessment (In-Person)

## ASSESSMENT RESULTS

### Compensation (C)

Benchmark ID	C.21.2
Benchmark Details	All benefits shall be calculated correctly
Finding Details	The annual bonus for financial year April 2021 to March 2022 was paid on October 20, 2022 (see finding C.1.1). This bonus was calculated incorrectly, causing workers to be paid only 20% to 25% of the actual amount due. The factory calculated the bonus based on a basic wage of INR 3500 per month, instead of using workers' actual earnings based on their true wages, which would have been higher. Management explained that the error stemmed from a lack of understanding of the legal guidelines for annual bonuses.
Recommendation for Immediate Action	Ensure that bonus is calculated accurately, and workers are paid accordingly.
Compliance Classifications	Immediate Action Required
Local Law	THE PAYMENT OF BONUS (AMENDMENT) ACT, 2015 NO. 6 OF 2016-3. In section 12 of the principal Act,— (i) for the words “three thousand and five hundred rupees” at both the places where they occur, the words “seven thousand rupees or the minimum wage for the scheduled employment, as fixed by the appropriate Government, whichever is higher” shall respectively be substituted.
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	21 out of 75 workers have personal bank accounts at different banks from the factory's bank. 54 workers have an account at the same bank as the factory. For the 21 workers with different banks, wages for March 2023 arrived to their bank accounts on April 10, 2023 (delayed by 3 days) while for the 54 workers with the same bank, the wages arrived on April 6, 2023 (within the legally-defined timeline). Factory management shared a letter dated April 6, 2023 advising their bank to transfer the wages for the 21 workers, but could not explain the delay. Wages for February 2023, April 2023, and May 2023 arrived in time for all 75 workers. Factory management does not have a system in place to check if wages have reached the workers' bank after requesting the bank transfer.
Recommendation for Immediate Action	Ensure wages are paid to all workers within legally defined timeline.
Compliance Classifications	Immediate Action Required
Local Law	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,
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. The factory does not maintain workers' leave and attendance records with their other personnel documents for calculating final payouts when workers leave employment. Therefore, the assessment could not verify the accuracy of final payouts. 2. The facility pays an annual bonus every October, 6 months following the close of the previous financial year (April to March). For example, the bonus for the financial year April 2022 to March 2023 will be paid in October 2023. The assessment found that workers who left employment prior to October were not paid bonuses. For examples, one worker who left employment in July 2022 and is entitled to a bonus for 2 financial years (April 2021 to March 2022) and (April 2022 to July 2022). Another worker left employment in August 2022 and is entitled to a bonus for 2 financial years (April 2021 to March 2022) and ( April 2022 to August 2022). Management does not have a system in place to contact these workers and ensure payment. In these two cases, management did not make efforts to contact these workers to pay the bonus. 3. The facility does not document workers' applications for leave as a general practice. Between July 2022 and June 8, 2023, the assessment found leave applications for only 3 workers. The applications were not signed and approved by management, nor were the leave periods recorded for the individual workers. 4. Inconsistencies were noted between the leave applications that were available and the timecards of workers. One worker's timecard showed that he was at work during the complete month of May 2023; however, his leave application reflects he was on leave from May 18, 2023. Another worker applied for leave from April 4, 2023, to June 6, 2023. Her timecard, however, shows "Absent" on the leave days during May 2023 instead of "leave". A third worker applied for leave from June 6, 2023, to June 20, 2023, and was marked absent on the timecard for those days even though he had 19 unused leave days. Workers are not paid for days marked "absent" and are paid for days marked "leave." Therefore, the factory's current practices case workers to lose wages because they are marked "absent," which also impacts contributions to social security and annual bonuses.</p>
<p>Recommendation for Immediate Action</p>	<p>1. Maintain leave and attendance records for calculating final payouts to workers who leave employment. 2. Pay annual bonuses to workers who are entitled to it, even if they have left employment. 3. Collect and maintain leave applications record workers' leave time. 4. Ensure that timecards accurately reflect leave time and that workers are paid for leave days.</p>

Compliance Classifications	Immediate Action Required
Local Law	<p>1.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. 2. Payment of Bonus Act 1965- Section 8: Eligibility for bonus.—Every employee shall be entitled to be paid by his employer in an accounting year, bonus, in accordance with the provisions of this Act, provided he has worked in the establishment for not less than thirty working days in that year. 3. 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 and leave with wages register on form 15 is maintained as required under rule 87 - 4.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.</p>
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	The assessment reviewed resignation letters and pay records of terminal dues for 8 workers who left employment during the assessment period. This review found that the workers resigned at the end of a pay period (end of the month). Regardless of the date of resignation, the facility paid resigning workers the wages for days worked since the last pay day on the next normal pay day, 7 days after the end of the pay period. This practice does not comply with local law's timelines for these payouts. Other payments, such as unused leave, are made in cash one the day of resignation, which does comply with local law.
Recommendation for Immediate Action	Ensure that wages of workers are paid within 2 working days from date of leaving employment.



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.

### Employment Relationship (ER)

Benchmark ID	ER.17.5
Benchmark Details	Employers shall have in place procedures to track the number, types, and timing and resolution of grievances, and to communicate the resolution of grievances to the workforce.
Finding Details	Grievances at the factory are reported verbally and addressed. The factory does not maintain a log of grievances. Without such documentation, assessors could not verify if management reviews complaints and grievances and takes appropriate action.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER 17.1
Benchmark Details	Employers shall ensure that all supervisors are trained in national laws, regulations, and the Delta Code, and the appropriate practices to ensure compliance.
Finding Details	The factory does not maintain documentation of grievance processes.



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	The factory does not provide any ongoing training to workers on the Code elements and Employment Functions.
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 have some awareness of how to apply discipline, but are not specifically trained on the disciplinary system or their roles.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.5.1
Benchmark Details	Employers shall ensure that all supervisors are trained in national laws, workplace regulations, and the FLA Code, workplace grievance systems, and the appropriate practices to ensure compliance.
Finding Details	The factory does not train supervisors on the FLA/member company code at all.
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. The factory has written procedures for the grievance system, but not a written policy. The procedures do not define the need for trainings or assign responsibilities. 2. The factory has not formed a Grievance Committee, which is a legal requirement. 2. The factory does not have a written policy or procedure on non- retaliation. Management was not aware of the need for non-retaliation commitments and policies.
Recommendation for Immediate Action	Ensure a grievance redressal committee is formed.

Compliance Classifications	Sustainable Improvement Required
Local Law	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.
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 does not have a written policy and procedure on key topics, including: a. Recruitment and Hiring. b. Non discrimination. c. Forced Labor d. Child Labor. e. Termination and retrenchment f. Compensation 2. The factory does not have a procedure in place to remediate the issue should child labor be discovered. 3. The factory does not prepare job descriptions when hiring personnel.
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	The factory defines procedures for the conduct and discipline system in the standing orders, but these do not assign responsibilities for the system or include a requirement for trainings.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.6.1
Benchmark Details	Employers shall have written policies and procedures and implement practices that encourage ongoing training of all categories of workers with the goal of raising or broadening skills in order to advance in their careers within the factory or beyond.
Finding Details	The factory does not have written policy or procedures on personnel development.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.7.1
Benchmark Details	Employers shall have written policies and procedures with regard to performance reviews that outline the review steps and process, demonstrate linkages to job grading, prohibit discrimination, are provided in writing and seek feedback and agreement/disagreement from employees in writing, and that follow all local legal requirements.

Finding Details	The factory does not have a written policy or procedure for performance reviews. The factory does not conduct any performance reviews for workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.8
Benchmark Details	Employers shall have written policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment, are provided in writing and seek feedback from employees in writing, and follow all local legal requirements.
Finding Details	The factory does not have a written policy or procedure on demotions and job reassignments. There is no policy or procedure for promotions, nor is there a practice of worker promotions.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.4
Benchmark Details	Employers shall inform workers about workplace rules, environmental protection systems, health and safety information, and laws regarding workers' rights with respect to freedom of association, compensation, working hours, and any other legally required information, and the FLA Code through appropriate means, including posted in local language(s) throughout the workplace's common areas.

Finding Details	1. Factory management does not provide regular communication to workers on the FLA/member company code of conduct.
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. The factory's "Form 11 - Approval of shifts - Periods of work," a legally-required notice, was not available for review. 2. The factory's probation period for new workers lasts 6 months and can be extended by 3 months per clause # 1 in the appointment letter. 3. Workers' service cards were not updated for 2022 or 2023 at the time of the assessment. 4. The factory's appointment letters do not include information on Sick leave and Casual leave. A section of the letter for this information is left blank. For the security guards who work for a service provider, clause #12 (sick leave) of the letter states "not applicable," which is not legally permitted.
Recommendation for Immediate Action	1. Obtain and display Form 11 - Approval of shifts - Periods of work as required. 2. Limit probation periods to 3 months. 3. Ensure service cards of individual workers are updated for 2022 and 2023. Keep these cards updated. 4. Provide complete information on Sick leave and Casual leave in the appointment letter, signed by workers upon hire. Ensure that this is also in place for outsourced security guards.
Compliance Classifications	Immediate Action Required

Local Law	<p>1. THE PUNJAB FACTORY RULES, 1952 AS APPLICABLE IN THE STATE OF HARYANA- Section 486. NOTICE OF PERIODS OF WORK FOR ADULT WORKERS. [ section 61].—The notice of periods of work for adult workers shall be in Form 11 and shall be maintained by the occupier or manager of the factory. \ Factories Act 1948- Section 61 (1): Notice of periods of work for adults. There shall be displayed and correctly maintained in every factory in accordance with the provisions of sub-section (2) of section 108, a notice of periods of work for adults, showing clearly for every day the periods during which adult workers may be required to work. 2. 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. 3. 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. 4.Modal standing orders (attached as schedule II) under Industrial Employment (Standing Orders) Punjab rules 1978- Rule 4: Appointment letters. - Every workman except a casual or badli workman appointed for less than a month shall be given an appointment letter in the [Form I] appended herewith or prescribed under any other law. It is recommended that information on all terms of employment and benefits are provided with the appointment letter.</p>
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	The factory does not provide orientation to workers on either the FLA Code or the member company's code of conduct. Management is not aware of FLA.
Recommendation for Immediate Action	



Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.3
Benchmark Details	Employers should implement an annual, review process with input from workers of all policies, procedures and their implementation to ensure they meet legal requirements and the FLA Workplace Code.
Finding Details	1. The factory does not have written policies and procedures for the key employment functions (see finding ER.1.1) and therefore does not have a review process. 2. Workers are not consulted or integrated in decision-making processes that impact their workplace.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
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	The factory has a suggestion box near the eye wash station adjacent to the chemical storage area. This location does not provide for reporting grievances in a confidential manner.
Recommendation for Immediate Action	Ensure a confidential grievance reporting channel is available for workers.
Compliance Classifications	Immediate Action 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	Workers do not receive written documentation of the issues covered during orientation.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

### Freedom Of Association And Collective Bargaining (FOA)

Benchmark ID	FOA.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning freedom of association and collective bargaining. national laws, rules, and procedures protecting the rights of workers to organize and bargain collectively. Where local laws and FLA standards differ, the employer is expected to follow the highest applicable standard.
Finding Details	The factory does not have written a policy or procedure on Freedom of Association.
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	The factory does not conduct training programs to sensitize workers on the issue of workplace harassment at workplace, as is legally required.
Recommendation for Immediate Action	Conducted regular training programs to raise awareness of workplace harassment issues.
Compliance Classifications	Immediate Action Required
Local Law	Sexual harassment of women (prevention, prohibition & 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.
Benchmark ID	H/A.8.3
Benchmark Details	Employers, shall develop, implement and monitor policy and procedures for eliminating the risk of violence, harassment, and abuse in the workplace. Policies and procedures shall include a clear statement that violence, harassment, and abuse will not be tolerated, procedures for the investigation of allegations, and measures to protect any complainants, victims, and witnesses.
Finding Details	The factory does not have a written policy or procedure on Harassment and Abuse.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

## Health, Safety And Environment (HSE)

Benchmark ID	HSE.30.1
Benchmark Details	Employers shall develop, maintain, and regularly review health, safety, and environmental policies to ensure that they comply with all national laws, regulations and the FLA Workplace Code concerning health, safety, and environmental standards, regulations and procedures.
Finding Details	1. The factory does not have a written policy or procedure on environmental protection. 2. Factory does not have a written policy or procedure on health and safety.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.6.2
Benchmark Details	A sufficient number of workers shall be trained in first aid and firefighting techniques. Training shall be upon hire and with periodic refresher training.
Finding Details	1. The factory has trained 20 workers to use fire fighting equipment, however, no specific responsibilities, such as, activation of alarms and notifying hospitals, are assigned to them. Head count is done by supervisors. 2. First aid training certificates for 9 trained workers were valid until January 2023. Management stated that workers were retrained in March 2023 by an external service provider, however, the management could not provide evidence of retraining, such as, pictures and provisional certificates. Hence, assessors could not confirm if there were any workers trained in first aid procedures. 3. In the training, responsibilities are not assigned to workers with additional firefighting, emergency and first aid responsibilities to effectively execute their duties.

Recommendation for Immediate Action	1. Ensure specific responsibilities, such as, activation of alarms and notifying relevant authorities are assigned to members of the fire fighting team. 2.Ensure adequate persons are trained in first aid procedures and valid certificates are maintained.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act 1948- Section 45 (3): Each first-aid box or cupboard shall be kept in the charge of a separate responsible person [who holds a certificate in first-aid treatment recognised by the State Government] and who shall always be readily available during the working hours of the factory.
Benchmark ID	HSE.5.3
Benchmark Details	Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually.
Finding Details	A log of drills reflects that fire evacuation drills are conducted once every 2 months as legally required, however, pictures from the drills are not maintained in the log. Hence documentation is incomplete to verify if drills have been physically conducted. During the assessment, it was noted that until February 2023, drills were conducted between 2:30 pm and 3:30 pm which is close to tea break starting at 4:00pm. In February 2023 and April 2023 drills were conducted either just before tea break starting at 11.00 am or just after the break ending at 11.15 am. This practice is followed to minimize loss of production time.
Recommendation for Immediate Action	1. Ensure drills are conducted at separate timings during work hours. 2. Pictures of the drills are maintained in the log.
Compliance Classifications	Sustainable Improvement Required
Local Law	No direct legal reference
Benchmark ID	HSE.5.1

Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: posting evacuation plans; the installation and maintenance of fire alarms; the installation and maintenance of emergency lighting; ensuring aisles/exits are not blocked and that workers are not blocked within their workstations; employee education and training; and evacuation procedures and fire drills.
Finding Details	The doors at 8 main exits from the building have overhead roller doors. These are pull down/push up doors that have an arrangement to lock them in open position.
Recommendation for Immediate Action	Ensure that all exit doors open outwards (away from the room), as legally required.
Compliance Classifications	Immediate Action Required
Local Law	Punjab Factories Rules 1952- Rule 66(9)(u): 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.
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	The factory does not conduct an assessment after evacuation drills to learn how to improve the evacuation process.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

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	Spill response kit is not equipped in chemical storage area and near the power generator where diesel is used. Stains from diesel are seen on floor near the power generator.
Recommendation for Immediate Action	Ensure spill response kit is provided in chemical storage area and near the power generator where diesel is used.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
Benchmark ID	HSE.19
Benchmark Details	All facilities including workplace buildings, toilets, canteens, kitchens, and clinics, shall be kept clean and safe and be in compliance with all applicable laws, including relevant sanitation, medical, and safety and health regulations.
Finding Details	1. The outlet drains from the hand wash and from the urinals in the men's toilets on the 2nd floor were blocked at the time of the assessment, resulting in outflow onto the floors. 2. The doors on some of the stalls in the men's toilets on the 2nd floor were partially damaged. 3. The water pressure for washing hands in the men's toilets on 2nd floor was low. 4. Soap and hand drying facilities are not provided in toilets.
Recommendation for Immediate Action	1. Keep drains clear and clean them periodically. 2. Maintain doors on all restroom stalls. 3. Provide adequate water pressure in hand washes. 4. Provide soap and hand drying facilities in all toilets.



Compliance Classifications	Immediate Action Required
Local Law	1. Factories Act, 1948-Section 11(1)(A): Every factory shall be kept clean and free from effluvia arising from any drain, privy or other nuisance, and in particular accumulation of dirt and refuse shall be removed daily by sweeping or by any other effective method from the floors and benches of workrooms and from staircases and passages, and disposed of in a suitable manner. 2. 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	Management has not conducted any assessments to determine safe and comfortable heat levels at the factory.
Recommendation for Immediate Action	Conduct an assessment for identifying heat comfort/safety problem areas at 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.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.

Finding Details	1. The factory conducts safety monitoring for its own vehicles, but does not check the safety/fitness certificates of external vehicles that enter the facility. 2. Traffic lanes and walk paths are not marked inside the factory. 3. The assessment observed that needle guards were pushed upwards on 100% of sewing machines, rendering them ineffective in preventing injury. 4. The factory has a lightning safety device installed on the building. However, installation and test reports were not available for review by assessors. Therefore, the assessment could not determine whether the device is actually effective. 5. The does not implement a lockout-tagout system. Management is not aware of Lockout - Tagout concepts.
Recommendation for Immediate Action	1. Check fitness certificates for all vehicles used. 2. Mark all traffic lanes and walk paths inside the factory. 3. Ensure needle guards are kept in place on sewing machines. 4. Conduct regular tests of the lightning safety device and keep records on hand. 5. Establish and implement a lockout-tagout safety system.
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. PPE is not provided at all for the fire fighting team. 2. Fire extinguishers are inspected on a monthly basis. However, reports of effective working of fire pump, availability of adequate water pressure in fire hydrant and fire hoses, condition of water pipes and nozzle are not maintained. Hence, the required standards of the fire fighting equipment could not be verified.
Recommendation for Immediate Action	1. Ensure PPE is provided for members of the fire fighting. 2. Ensure reports of inspections for all firefighting equipment are maintained.

Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
Benchmark ID	HSE.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. The factory does not have a proof of certification for the external inspector who provided the factory's building stability certificate. The certificate provided for review did not have a date of inspection recorded or a date of signature and release. 2. The factory does not have a proof of certification for the external inspector who inspected the steam boiler in January 2023.
Recommendation for Immediate Action	1. Keep a proof of certification for the building safety inspector on file along with the fully-completed certificate. 2. Keep a proof of certification for the steam boiler inspector on file with the report.
Compliance Classifications	Immediate Action Required

Local Law	<p>1. Punjab Factory rules, 1952- Rule 4: No manufacturing process shall begun 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. Punjab Factories Rules 1952- Rule 61 (1-d): Every plant of machinery other than the working cylinders of prime movers used in a factory shall be thoroughly examined by a competent person.</p>
Benchmark ID	HSE.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.
Finding Details	<p>1. The factory does not have a health and safety committee, which is required by law. 2. Smoke detectors are not installed in the electric panel room or near the transformer (located inside a room within the periphery of the factory compound). 3. Asbestos roofing sheets are used in the chemical storage area behind the factory building. These sheets are not labelled. Workers do not access the area except when workers handling chemicals used for removing stains.</p>
Recommendation for Immediate Action	<p>1. Establish a Health and Safety committee as per local law. 2. Install smoke detectors in the electric panel room and near the transformer. 3. Label the asbestos roofing sheets in the chemical storage area, and arrange to replace them with a non-asbestos material.</p>
Compliance Classifications	Immediate Action Required

Local Law	1. Factories Act 1948- Section 41-G: Workers' participation in safety management. The occupier shall, in every factory where a hazardous process takes place, or where hazardous substances are used or handled, set up a Safety Committee consisting of equal number of representatives of workers and management to promote cooperation between the workers and the management in maintaining proper safety and health at work and to review periodically the measures taken in that behalf. 2. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances. 3. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances. 4. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
Benchmark ID	HSE.28
Benchmark Details	Employers shall create a system to ensure that all necessary Health and Safety protections are provided for external contractors; including protection when working within , confined spaces, maintenance issues, and general Health and Safety Issues.
Finding Details	The factory does not provide any safety information to contractors.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.29
Benchmark Details	Employers shall provide all necessary protection for workers when working at heights, confined spaces, and other high-risk areas.

Finding Details	1. The entries to confined spaces are covered with metal covers; however, entry points are not fenced off and do not have warning signs. 2. The factory outsources cleaning of confined spaces; however, it does not monitor safety systems such as the use of safety/rescue equipment and does not have observers for the cleaning. 3. Fall protection equipment (helmets and safety ropes) is not provided by the factory. 4. Major maintenance is outsourced to external service providers while minor work is done by in-house maintenance staff. The factory does not have a system in place to ensure safety for external maintenance workers.
Recommendation for Immediate Action	1. Ensure entries to confined spaces are fenced off and have warning signs. 2. Observe all work in confined spaces and monitor the use of safety systems for work in confined space. 3. Provide fall protection (helmets and safety ropes) to workers. 4. Implement a system to ensure safety for maintenance workers engaged by the factory.
Compliance Classifications	Immediate Action Required
Local Law	1. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances. 2. Factories Act, 1948- Section 36 (2) (b): No person shall be required or allowed to enter any confined space as is referred to in sub-section (1), until all practicable measures have been taken to remove any gas, fume, vapour or dust, which may be present so as to bring its level within the permissible limits and to prevent any ingress of such gas, fume, vapour or dust and unless such person is wearing suitable breathing apparatus and a belt securely attached to a rope the free end of which is held by a person outside the confined space. 3. Factories Act, 1948- Section 32(c): In every factory, when any person has to work at a height from where he is likely to fall, provision shall be made, so far as is reasonably practicable, by fencing or otherwise, to ensure the safety of the person so working. 4. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
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	The factory does not provide any training to workers on ergonomics and lifting techniques at all.
Recommendation for Immediate Action	Provide training on ergonomics and safe lifting techniques periodically.
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.30.2.6
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed:protections to workers who allege health, safety, and environmental violations;
Finding Details	The factory has not conducted any kind of 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	There have been no accidents in the factory during the assessment period. The factory logs minor injuries such as finger pricks and cuts, but does not examine the incidents to understand the root cause. Factory management explained that these injuries are mainly due to carelessness of machine operators.
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	Electrician is provided with one safety rubber glove instead of two gloves for both hands.
Recommendation for Immediate Action	Ensure electrician is provided with safety rubber gloves for use on both 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	1. Safety shoes provided are not used by the electrician. The shoes appear to be new and unused. 2. Training of PPE usage is not provided for the electrician.
Recommendation for Immediate Action	1. Ensure safety shoes provided are used by the electrician. 2. Ensure training of PPE usage is provided for the electrician.
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.5.2
Benchmark Details	Workers shall be trained in evacuation procedures.
Finding Details	Except for training on the use of fire fighting equipment, no other training on emergencies is provided. Specific duties and responsibilities in the case of an emergency are not assigned.
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. The factory does not provide any training on safely operating machines and vehicles. The factory hires only experienced operators and drivers. 2. The factory does not provide any training for high-risk work including workers working at heights, electricians, and work in confined spaces.
Recommendation for Immediate Action	Ensure that safety training is provided to all employees, including particular safety training for machine operators, drivers, and workers with high-risk responsibilities.
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. Workers in the Cutting and Finishing sections who stand at their workstations are not provided with a sitting area. 2. Workers who stand at their workstations are not provided with anti-fatigue mats at all. 3. Sewing machine operators are provided only with hard wooden benches with no back rest. 4. Work stations are not adjustable in height. The assessment observed some sewing machine operators who had to lean/hunch over, bending their upper back, to operate their machines.

Recommendation for Immediate Action	1. Provide sitting areas for workers with standing jobs in the Cutting and Finishing sections. 2. Provide anti-fatigue mats to all workers with standing jobs. 3. Provide sewing machine operators with appropriate sitting arrangements (cushions, adjustable back rests) to reduce bodily injury. 4. Ensure work stations are adjustable in height to reduce bodily injury.
Compliance Classifications	Immediate Action Required
Local Law	1. Factories Act 1948- Section 44 (1): In every factory suitable arrangements 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 3. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances 4. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.

## Hours Of Work (HOW)

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 policy and procedures on working hours
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HOW.9.2
Benchmark Details	Employers shall take reasonable steps to inform workers about the nature and expected duration of the circumstances sufficiently in advance to allow workers to make alternative plans.
Finding Details	Overtime requirement is not communicated at the beginning of the working shift. Regular shift ends at 6.00pm and overtime requirements are communicated during tea break at 4.00 pm.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

