

Fair Labor Association: Independent External Factory Assessment

Assessment Date :

25 May 2023



Factory Information

FLA Affiliates	adidas,PUMA SE
Country	India
Number of Workers	2360

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)	2
Employment Relationship (ER)	13
Freedom Of Association And Collective Bargaining (FOA)	1
Harassment Or Abuse (H/A)	2
Health, Safety And Environment (HSE)	23
Hours Of Work (HOW)	3

Assessment Information

Assessor	InSync Global
----------	---------------

Assessment Date	25 May 2023
-----------------	-------------

Assessment Purpose	Factory Assessment (In-Person)
--------------------	--------------------------------

ASSESSMENT RESULTS

Compensation (C)

Benchmark ID	C.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning the payment of compensation to workers.
Finding Details	In situations where workers remain absent from work for some period and then resign from employment, the factory records the workers' last day of employment as the date that the worker stopped working rather than the date of official resignation. This practice may impact workers' access to legal benefits that are calculated based on length of employment. The assessors did not observe any such cases in the sample of worker records.
Recommendation for Immediate Action	When recording a worker's last date of employment, record the date on which the worker resigns or receives notice of termination, not the date when workers stop reporting for work.
Compliance Classifications	Immediate Action Required
Local Law	Item 13(1) of Schedule 1 appended to Industrial Employment (Standing Orders) Rules 1946: For terminating employment of a permanent workmen, notice in writing shall be given either by the employer or the workmen - one month's notice in the case of monthly-rated workmen and two weeks' notice in the case of other workmen: one month's or two week's pay, as the case may be, may be paid in lieu of notice.
Benchmark ID	C.21.1
Benchmark Details	Employers shall provide all legally mandated benefits, including holidays, leave, bonuses, severance payments and 13th month payments to all eligible workers within legally defined time periods.

Finding Details	<p>(1) The factory's pay period lasts from the first to the last day of each month. The factory makes final payouts (final daily wages and payments for unused leave time) to workers leaving the factory twice per month: on the sixth day and the seventeenth day. Workers who leave employment before the midpoint of the pay period receive payouts on the seventeenth day of that month. Those who leave after the midpoint receive payouts on the sixth day of the following month. As a result, workers' payouts may be paid up to 19 days after their employment ends. This delay violates local law, which requires the payouts within 2 days of leaving employment. The assessment reviewed eight cases of workers who left the factory; final payouts were made between 10 and 19 days after termination. (2) The local government made public notice of new wage requirements in April of 2023. These new wages were applicable from January 2023. Workers who left the factory between January 2023 and February 2023 received final payouts that were calculated using only the pre-January 2023 wages, resulting in underpayment of their wages for January 2023 and February 2023.</p>
Recommendation for Immediate Action	<p>(1) When workers leave the factory, make final payouts (wages for days worked prior to leaving employment and for unused leave) within 2 working days of the workers' last day. (2) Make additional payments to workers who left employment during January 2023 and February 2023 to account for the incorrect calculation of their final payouts.</p>
Compliance Classifications	Immediate Action Required

Local Law	<p>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. 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>
-----------	---

Employment Relationship (ER)

Benchmark ID	ER.17.5
Benchmark Details	Employers shall have in place procedures to track the number, types, and timing and resolution of grievances, and to communicate the resolution of grievances to the workforce.
Finding Details	The factory does not maintain a log of grievances reported, making it impossible to communicate to workers on grievances and actions taken.
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 assessors reviewed meeting minutes for the factory's grievance committee and found repeated grievances mostly related to non-functional ceiling fans in work areas. The factory does not maintain a log of all grievances reported. Management explained that grievances are reported verbally and addressed.
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	In 2022, the factory provided training to 29% of workers. The factory did not have a definite plan in place to ensure 100% of workers are trained.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Benchmark ID	ER.18.2
Benchmark Details	Employers shall ensure managers and supervisors are fully familiar with the workplace disciplinary system and in applying appropriate disciplinary practices.
Finding Details	Managers and supervisors are not fully aware of the disciplinary systems. Supervisors receive some guidance on how to address misconduct, however the factory does not provide training on types of workplace misconduct or related action. There is no training material or content to assist with trainings on the subject.
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 does not have written policy, but does have a written procedure for the grievance committee. However, the procedure lacks information on grievance reporting channels; actions with defined timelines to address grievances; steps to escalate grievances with timelines; responsible persons assigned for every step; documentation, communication and feedback; or training for managers, supervisors and workers. (2) The grievance committee does not have a designated chairperson that rotates every other year, as is legally required. (3) Only three workers out of a workforce of 2360 sit on the grievance committee. There is not adequate representation of all workers from all departments.

Recommendation for Immediate Action	(1) Develop proper written procedures for addressing grievances. (2) Designate a chairperson for the grievance committee. (3) Ensure adequate representation of workers in the grievance committee.
Compliance Classifications	Immediate Action Required
Local Law	1.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. 2.Industrial Disputes Act 1947- Section 9C (2) : Setting up of Grievance Redressal Machinery- The Grievance Redressal Committee shall consist of equal number of members from the employer and the workmen.
Benchmark ID	ER.1.1
Benchmark Details	Employers shall have in place written policies and practices and maintain proper and accurate records governing all aspects of employment from recruitment, hiring and probation, including written terms and conditions of employment, job descriptions, administration of compensation, and working hours for all positions, through to retrenchment and termination processes.

Finding Details	<p>(1) The factory's written policy and procedure on recruitment relates only to hiring of staff at supervisory and managerial positions. It does not include information on recruitment and hiring of production workers, non-production workers and outsourced workers (security guards, housekeeping and canteen workers). There is no information on employment practices and procedures, assignment of responsibilities, or the need for trainings for these workers in the policy and procedure. (2) The factory has a written policy on nondiscrimination but does not have written procedures. (3) The factory has a written policy on forced labor but does not have written procedures. (4) The factory has a written policy on child labor but does not have written procedures, nor does the factory have written procedures to remediate any child labour found in the factory. (5) The factory does not have a written procedure on termination and retrenchment. There is a policy on termination, but it refers only to dismissal from employment as a result of disciplinary action. (6) The factory's written procedures on compensation and benefits are not signed by management and does define responsibilities for implementation and requirement for trainings. (7) The factory does not have a written job description prepared for all positions when personnel need to be hired. Job descriptions are available for management staff.</p>
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 does not have a written policy on workplace conduct and discipline. There are written procedures which provide some information, but these procedures do not define misconducts and related disciplinary actions, provide information on documentation that should be maintained, assign responsibilities, or mention the need for training.
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 and procedures on personnel development that encourage ongoing training with the goal of raising or broadening workers' skills so they can advance in their careers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.7.1

Benchmark Details	Employers shall have written policies and procedures with regard to performance reviews that outline the review steps and process, demonstrate linkages to job grading, prohibit discrimination, are provided in writing and seek feedback and agreement/disagreement from employees in writing, and that follow all local legal requirements.
Finding Details	(1) The factory does not have a written policy or procedure on performance reviews. Prior to January 2023, the factory did not evaluate workers' performance. Wages were revised based only on changes to local laws. In January 2023, the factory began to evaluate workers' performance with the intention of promoting workers based on results. In January 2023, unskilled workers from the stitching section requested promotions to the semi-skilled category in response to posted job openings. The factory hired a trainer who trained these workers (approx. 15% of total workers) for 15 days prior to evaluation. In February 2023, these workers' performance was evaluated and approx. 5 % of them were promoted to the semi-skilled category based on the results. The factory decided to re-evaluate the remaining 10% after 3 months. Management explained that the factory plans to evaluate the performance of workers from all categories (unskilled, semi-skilled, skilled and highly skilled) by August 2023.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.8
Benchmark Details	Employers shall have written policies and procedures with regard to promotion, demotion, and job reassignment that outline the criteria, demonstrate linkages to job grading, and prohibit discrimination or use of demotion or job reassignment as a form of penalty or punishment, are provided in writing and seek feedback from employees in writing, and follow all local legal requirements.

Finding Details	(1) The factory does not have a written policy or procedures on promotions, demotions, and job reassignments. (2) The factory has promoted workers from the "unskilled" category to the "semi-skilled" category based on a skill test and recommendations from supervisors and production managers. 60 out of approx. 120 unskilled workers from the stitching section received this promotion, communicated through a letter explaining the promotion and wage increase. However, results from the evaluation were not discussed or communicated to workers, nor did workers sign a document explaining the results, so it cannot be verified whether results were accepted, and workers agreed with the results.
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	Puma's Code of Conduct is posted in English and Hindi (the local language). The Adidas Code is posted only in English and not in Hindi (the local language)
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	The factory conducts an orientation program for new hires, however, this program does not include a tour of the facility to make new workers aware of the work areas, emergency assembly points, toilets, canteen, medical room, childcare facilities, or management offices.
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's written policies and procedures are not reviewed regularly. Most of them do not have a date or version recorded and are not signed by management. There is no evidence to demonstrate periodic review of policies and procedures. (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	

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 has a written policy on freedom of association and collective bargaining, however there are no procedures.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Harassment Or Abuse (H/A)

Benchmark ID	H/A.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning discipline, violence, harassment and abuse, including that which is gender-based
Finding Details	(1) The factory has an Internal Committee for the Prevention of Workplace Harassment, however has not named a Presiding Officer as required by local law. (2) The factory has not publicly posted a list of consequences for sexual harassment in the workplace, as required by local law.
Recommendation for Immediate Action	(1) Name a Presiding Officer for the Internal Committee. (2) Post the consequences for sexual harassment in the workplace in relevant language/s.

Compliance Classifications	Immediate Action Required
Local Law	1. Sexual Harassment of women at workplace (prevention, prohibition & redressal) act 2013- Section 4(2)(a): Internal Committee shall consist of the following members to be nominated by the employer namely-a Presiding Officer who shall be a woman employed at a senior level at workplace from amongst the employees. 2. Sexual harassment of women (prevention, prohibition & redressal) at workplace act 2013- section 19(b): Every employer shall display at any conspicuous place, the penal consequences of sexual harassment.
Benchmark ID	H/A.8.3
Benchmark Details	Employers, shall develop, implement and monitor policy and procedures for eliminating the risk of violence, harassment, and abuse in the workplace. Policies and procedures shall include a clear statement that violence, harassment, and abuse will not be tolerated, procedures for the investigation of allegations, and measures to protect any complainants, victims, and witnesses.
Finding Details	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	The factory has a written policy on environmental protection, however does not have written procedures.
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	A review of logs for evacuation drills revealed that for the day shift, no drills were conducted from June 2022 to December 2022 (six months), and again from December 2022 to April 2023 (four months). For the night shift, a drill was not conducted from October 2022 to February 2023 (four months) and between February 2023 and May 2023 (three months). Under local law, drills are required to be conducted every 2 months.
Recommendation for Immediate Action	Conduct evacuation drills for both the day and night shifts every 2 months.
Compliance Classifications	Immediate Action Required
Local Law	Punjab Factories Rules 1952- Rule 66(12)(c): Fire fighting drills shall be held as often as necessary and at least once in every period of two months.
Benchmark ID	HSE.5.1

Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: posting evacuation plans; the installation and maintenance of fire alarms; the installation and maintenance of emergency lighting; ensuring aisles/exits are not blocked and that workers are not blocked within their workstations; employee education and training; and evacuation procedures and fire drills.
Finding Details	(1) The assessment observed factory layout issues that restrict free and safe movement. a. The factory's sewing machine operators sit in a 'U' shape. As a result, workers on the inside of the U at the 2 corners are boxed in, restricting quick and easy exit. b. Sewing machine operators and workers at the checking station were both observed sitting close together. If these workers all pushed their chairs back to stand up, such as during an evacuation, they would not be able to move freely. c. Workers in the assembly pasting process work at cramped workstations with no access to the passage behind them. d. Some workers in the sole trimming process sit back-to-back with no space for them to push back their chairs to stand. (2) The childcare facility lacks fire safety measures. During the assessment, no children were present in the facility. The assessment determined that workers prefer to leave their children at home under care of relatives.
Recommendation for Immediate Action	(1) Ensure that all workers can reach passageways from their workstations quickly and easily, without obstructions, at all times. (2) Implement fire safety measures and equipment in the childcare room.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948- Section 38 (1) (a): In every factory, all practicable measures shall be taken to prevent outbreak of fire and its spread, both internally and externally, and to provide and maintain safe means of escape for all persons in the event of a fire.
Benchmark ID	HSE.5.1.6
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 has not conducted an assessment after an evacuation drill to learn how to improve the 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	Entry to chemical storage area is not restricted.
Recommendation for Immediate Action	Ensure that entry to chemical storage area is restricted.
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) Hand drying facilities are not provided in the restrooms. (2) The kitchen area is not kept clean. The assessment observed dirt on the stoves, walls, lights, and fans. (3) The factory does not keep food samples to prevent food-borne illness. (4). Childcare facilities do not have alarms and fire extinguishers. The facility is not in use.
Recommendation for Immediate Action	(1) Provide hand drying facilities in the restrooms. (2) Ensure that the kitchen is kept clean. (3) Keep food samples for adequate lengths of time to prevent food-borne illness. (4). Ensure alarms and fire extinguishers are installed / provided in childcare facilities.
Compliance Classifications	Immediate Action Required
Local Law	1. 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 are 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. 2. Punjab Factory rules 1952 - Section 71 (9)-(a) In every canteen:(i) All inside walls of rooms and all ceilings and passages and staircases shall be lime-washed at least once in each year or painted once in three years dating from the period when last lime-washed or painted, as the case may be; 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.22.1
Benchmark Details	All food made available to workers shall be prepared, stored, and served in a safe and sanitary manner in accordance with all applicable laws and international standards.
Finding Details	The assessment observed three canteen workers not using a mask and apron while handling food. None of the canteen workers were using gloves. Cooked bread (roti) was kept in the open uncovered.

Recommendation for Immediate Action	Ensure that all canteen workers use masks, aprons, and hand gloves when handling food. Ensure food is kept covered at all times.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	(1) The factory does not inspect registration and inspections certificates for external vehicles. Staff does not inspect indicator lights, brakes, horns, wipers, door locks, or tires when external vehicles enter the premises. (2) Traffic lanes and walkways are not marked at the factory. Speed breakers are not installed inside the factory. (3) The factory does not inspect drivers' licenses to ensure that authorized persons are driving vehicles that enter the premises.
Recommendation for Immediate Action	(1) Institute inspections of vehicles, inspection certificates, and registration certificates for external vehicles is inspected. (2) Mark traffic lanes and walkways clearly. Install speed breakers inside the factory. (3) Check drivers' licenses for the drivers of external vehicles.
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	The fire brigade, first aiders, and emergency responders in the factory do not have access to sufficient proper equipment. a. Firefighters do not have access to eye shields, fire resistant hand gloves, or safety shoes b. Only five flashlights are available for use by 10 firefighters in addition to the entire rescue team. c. Only 10 helmets are provided specifically for the 125 fire fighters. Additional fire fighters use the helmets of first aiders, which are available in work areas. The fire fighters, first aiders, and maintenance team all use similar styles of helmets. Special firefighting helmets that incorporate heat resistant material and eye protection covers are not available.
Recommendation for Immediate Action	Ensure adequate and appropriate PPE is provided to all fire fighters.
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.22.2
Benchmark Details	All workers handling food must be trained and/or certified to work in the facility preparing or serving food.
Finding Details	Workers working in the canteen do not receive specific health and safety/hygiene training.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required

Local Law	
Benchmark ID	HSE.27.3
Benchmark Details	Children must not visit parents in workplace areas.
Finding Details	Workers in the childcare facility do not receive specific health and safety/hygiene training.
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	<p>(1) The factory's building safety certificate was issued by an external inspector. The factory does not have on hand that inspector's credential or certificate of qualification. (2) The factory's "No Objection Certificate" (NOC) from the local Fire Department covers only 13 (Buildings A to M) out of 19 buildings used by the factory. Buildings 'N' to 'S' are not covered by the certificate. (3) The factory has two lifts, each with 2000 kg capacity, that are registered with the government. Inspection reports from March 2023, issued by an external engineer, do not include the registration numbers of the lifts. The report for one of the lifts states its capacity as 500 kg, although there is no lift of 500 kg capacity installed in the factory. Despite this inaccurate information, these reports were signed by the external inspector and validator. During the course of the assessment, the factory obtained amendments to these inspection reports to include the registration numbers and corrected information on capacity.</p>
Recommendation for Immediate Action	<p>(1) Ensure that the external inspector who inspected and issued the building stability certificate is properly credentialed, and keep such records on hand. (2) Ensure that all buildings used by the factory are inspected by the fire department and receive a NOC. (3) Ensure complete and accurate inspection reports of lifts.</p>
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.</p> <p>2. Haryana Fire Service (Amendment) Act 2016: Amended provision: On completion of construction of the high-rise building, a no objection certificate shall be obtained, which shall be valid for a period of five years. In the absence of such certificate, the owner shall not occupy, lease or sell the building. He said that as per the amendment, the owner or occupier of the building shall give a self declaration certificate annually to the effect that the fire fighting system installed in his building or premises is working in good condition and there is no addition or alteration in the building. In case there is any addition or alteration in the building, the Fire No Objection Certificate shall cease to exist and the owner shall apply for approval of revised Fire Fighting Scheme as per sub-section (1) and the competent authority may randomly check such building or premises.</p> <p>3. Haryana Lifts and Escalators rules 2009 as notified on 17th, June, 2009: Rule 7: Every lift which have been registered shall be inspected at least once in a period of three years by the Inspector.</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	(1) Sanitary pads for workers' use are kept with nurse at the factory instead of being made available in the restrooms, as required by local law. (2) There are no gas leak detectors installed in the areas where gas cylinders are stored and used in the kitchen. (3) Kitchen workers use cloth aprons and open shoes which may not prevent burn injuries from hot water or hot oil while cooking. (4) The assessment observed workers handling food without gloves or masks that fully cover their noses/mouths. (5) A list of prices for the food offered in the canteen was not on display during the assessment, as required by local law. Factory management posted this list after the assessment. 6. A nursing area for mothers is not provided in the childcare room(facility). 7. The facility's childcare policies/procedures do not mention having a play area outside the facility (childcare room) 8. The childcare room does not have an attached washroom.
Recommendation for Immediate Action	(1) Provide sanitary pads for workers' use in the restrooms. (2) Install working gas leak detectors in the kitchen. (3) Ensure that kitchen workers use appropriate fire-resistant aprons and closed shoes to prevent burn injuries while cooking. (4) Ensure that workers handling food use proper masks and gloves. (5) Ensure that a list of prices is displayed in the canteen at all times. 6. Ensure a nursing area for mothers is provided inside the childcare facility. 7.Ensure childcare policies/procedures include requirement to have a play area outside the childcare facility. 8. Ensure childcare facility has an attached washroom.
Compliance Classifications	Immediate Action Required

Local Law	<p>1. 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. 2. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances. 3. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances. 4. Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances. 5. The Punjab Factory Rules 1952 (applicable in state of Haryana) Section 74 (3) The charges per portion of foodstuff, beverages and any other items served in the canteen shall be conspicuously displayed in the canteen: 6. The Punjab Factory Rulers, 1952 as applicable in the state of Haryana - Rule 79. CRECHES- (5). The creche shall be adequately furnished and equipped and in particular there shall be one suitable cot or cradle with the necessary bedding for each child (provided that for children over two years of age it will be sufficient if suitable bedding is made available) at least one chair or equivalent seating accommodation for the use of each mother while she is feeding or attending to her child, and a sufficient supply of suitable toys for the older children (6).A suitable fenced and shady open-air playground shall be provided for the older children. Rule 80. WASH-ROOM [section 48].—(1).There shall be in or adjoining the creche a suitable washroom for the washing of the children and their clothings.</p>
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	There are no safety instructions posted near machinery at the factory.

Recommendation for Immediate Action	Post safety instructions in relevant language/s near all machinery.
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.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 30 toilets available for 960 female workers. Under local law, a workforce of this size requires at least 39 toilets available.
Recommendation for Immediate Action	Ensure adequate toilet facilities are provided for workers, including by increasing the number of women's toilets available.
Compliance Classifications	Immediate Action Required
Local Law	Punjab Factory Rules 1952 - Section 42. LATRINE CCOMMODAITON, [section 19(1)(A)&(3)].—Latrine accommodation shall be provided in every factory on the following scale: (a) where females are employed, there shall be at least one latrine for 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) The factory does not maintain evidence (list or pictures) to demonstrate use of safety equipment by workers in confined spaces. The factory lacks procedures requiring safety equipment, monitoring processes, assigned responsibilities, and periodic trainings for safe work in confined spaces. (2) The factory does not maintain evidence demonstrating efforts to protect maintenance workers from safety risks. Helmets used by all teams (fire, maintenance, first aid) are similar in design and quality of construction. Safety helmets made to specific quality standards designed separately for industrial workers and construction workers are not provided. The factory does not maintain inspection reports of tools (drill machines, welding equipment, tools used by electricians and carpenters) to verify inspection and assurance of safety standards.
Recommendation for Immediate Action	(1) Implement all safety precautions for those working in confined spaces. Maintain adequate documentation, including pictures. (2) Periodically inspect all tools and equipment used by maintenance workers. Ensure appropriate fall protection equipment is used by maintenance workers.
Compliance Classifications	Immediate Action Required

Local Law	<p>1. Factories Act, 1948- Section 36 (2) (a): 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 a certificate in writing has been given by a competent person, based on a test carried out by himself that the space is reasonably free from dangerous gas, fume, vapour or dust. 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. 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>
Benchmark ID	HSE.17.2
Benchmark Details	Employers shall train workers in proper lifting techniques, and items such as lifting belts shall be provided.
Finding Details	In 2022, the factory provided training on ergonomics to 1032 out of 2360 workers. The factory has not developed a plan to train 100 % of workers on ergonomics.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.18.1

Benchmark Details	Medical facilities shall be established and maintained in factories as required by applicable laws.
Finding Details	The factory has not employed a full-time doctor in the medical room, as is legally required. A doctor visits the factory once a week.
Recommendation for Immediate Action	Ensure that a doctor is available full-time.
Compliance Classifications	Sustainable Improvement Required
Local Law	Punjab Factories Rules 1952- Rule 70(1): Every ambulance room shall be in the charge of at least one whole-time qualified medical practitioner (hereinafter referred to as Medical Officer) assisted by at least one qualified nurse or dresser-cum-compounder and one nursing attendant.
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	The factory does not maintain any documentation regarding inspection of fall protection equipment (helmets and safety ropes).
Recommendation for Immediate Action	Inspect fall protection equipment periodically and maintain inspection reports.
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) The assessment observed workers in the buffing section working without proper PPE to prevent injury to their hands from high-speed stone grinders. In the mold checking section, the assessment observed that three out of three male workers were using ear plugs, but three out of three female workers working on the same table were not. In addition, workers in other sections but positioned nearby were not using ear plugs. (2) In 2022, the factory provided training on PPE was provided to 984 out of 2360 workers. The factory has not developed a plan to train 100 % of workers.
Recommendation for Immediate Action	(1) Ensure that workers have access to and use proper PPE at all times. (2) Ensure that 100% of workers are trained in use of PPE.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act, 1948-Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
Benchmark ID	HSE.14.2
Benchmark Details	Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use.
Finding Details	In 2022, the factory provided machine safety training to 1087 out of 2360 workers. The factory has not developed a plan to train 100% of workers. Training on vehicle safety 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	In 2022, the factory provided training on chemical safety to 480 out of 2360 workers. The factory has not yet developed a plan to train 100% of workers.
Recommendation for Immediate Action	Ensure that 100% of workers are trained on chemical safety.
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) The factory does not provide anti-fatigue mats to workers at the sole checking stations, injection moulding section (EVA), and mixing area. These workers spend the majority of their working time standing up. (2) Workstations at the factory are not adjustable in height to suit height of workers. (3) Not all productions workers had proper chairs, with some chairs lacking seat cushions and/or a backrest. Factory management explained that the factory is in the process of providing chairs with both cushioned and wooden seats that workers can change periodically based on their comfort.

Recommendation for Immediate Action	(1) Ensure that anti-fatigue mats are provided to workers with standing jobs at the sole checking stations, injection moulding section (EVA), and mixing area. (2) Ensure that workstations are not adjustable in height to suit height of workers. (3) Ensure all productions workers have proper chairs with seat cushions and/or a backrest.
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.

Hours Of Work (HOW)

Benchmark ID	HOW.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning hours of work, public holidays and leave.
Finding Details	In reviewing workers' time and pay records, the assessment noted that some workers accumulated between 33 to 43 days of unused leave time. Under local law, workers should not accumulate more than 30 days of leave.
Recommendation for Immediate Action	Ensure that workers do not accumulate beyond 30 days' of leave without utilizing some leave time.
Compliance Classifications	Immediate Action Required
Local Law	Factories Act 1948- 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.

Benchmark ID	HOW.22.1
Benchmark Details	Employers shall have in place policies for managing all working hour, overtime, and leave records in normal and exceptional circumstances.
Finding Details	The factory does not have written a policy or procedures for how exceptional business circumstances will impact hours of work.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HOW.9.2
Benchmark Details	Employers shall take reasonable steps to inform workers about the nature and expected duration of the circumstances sufficiently in advance to allow workers to make alternative plans.
Finding Details	Workers are not informed of overtime requirements at the beginning of shifts. Workers are informed during lunch breaks, based on management's assessment of output and production requirements.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

