

# Fair Labor Association: Independent External Factory Assessment

Assessment Date :

**23 Sep 2024**



## Factory Information

FLA Affiliates	Nike, Inc
Country	India
Number of Workers	2765

## Understanding this Report

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

## FLA Code Element

## Number of Violations

FLA Code Element	Number of Violations
Compensation (C)	3
Employment Relationship (ER)	13
Harassment Or Abuse (H/A)	1
Health, Safety And Environment (HSE)	23
Hours Of Work (HOW)	2

## Assessment Information

Assessor	InSync Global
Assessment Date	23 Sep 2024

Assessment Purpose

Factory Assessment (In-Person)

## ASSESSMENT RESULTS

### Compensation (C)

Benchmark ID	C.20.3
Benchmark Details	Employers must be able to demonstrate the accuracy or reasonableness of these charges.
Finding Details	<p>Domestic migrant workers (22% of total workers) are accommodated in 2 hostels managed by external service providers. An agreement was signed on September 1, 2016 between the service provider and a trust owned by the group that owns the factory. Per clause 2 ( Financials) of the agreement the service provider is paid INR 1500 per migrant worker per month by the trust as part of financial assistance for migrant workers livelihood project. During assessment it was noted that resident workers pay INR 750 to the service provider directly each month and the trust pays INR 750. On inquiry management shared a letter from April 9, 2020, from the group that owns the factory addressed to the service provider providing the details of INR 1500 which reflected an amount of INR 750 (recovered from the residents of the hostel towards cost of rental, water and electricity) and amount of INR 750 ( for administrative and maintenance costs) to be paid by the trust. Another letter from August 1, 2022 states that effective August 1, 2022 , cost of rental, water and electricity would be recovered from workers directly by service provider and INR 750 would be paid by the trust. While letter from 2020 states that workers will pay for costs of rental, water and electricity, the 2nd letter from 2022 states that effective August 1, 2022, the costs would be paid by workers. There was lack of clarity on the effective date (2020 or 2022) from when workers needed to pay INR 750. Related documents like monthly invoice for electricity, water and monthly rent paid by the group for the hostels were not available onsite for review to assess if costs paid by workers did not exceed the cost of service. Management shared that the project was started in 2016 to support migrant workers however the decision was revised and it was decided that migrant workers pay 50% of the total costs.</p>

Recommendation for Immediate Action	Maintain all documentation pertaining to deduction for services provided on site to be available for review.
Compliance Classifications	Immediate Action Required
Local Law	
Benchmark ID	C.1.1
Benchmark Details	Employers shall comply with all national laws, regulations and procedures concerning the payment of compensation to workers.
Finding Details	<p>1.As a practice, workers are not compensated at overtime premium for work done on rest days in addition to the compensatory rest day provided. The factory provided a compensatory rest day for work done on rest day in September 2024, without overtime payment. 2. Wage slip provided to migrant workers is in English and Kannada (local language) and not in a language spoken, read and understood by the migrant workers. Sample of the wage slip translated in Hindi language which is read, spoken and understood by 34% migrant workers is posted in the canteen. 66% of migrant workers come from a region where Hindi language is not commonly spoken, read and understood. 3. Date of obtaining consent for voluntary deduction towards cost of transport is not recorded on the consent letter. 4. Wage slip is provided to workers post disbursement of wages instead of providing prior to disbursement of wages. 5. As per information gathered from sampled migrant workers interviewed, they were not informed of the requirement to pay for hostel accommodation. prior to travelling to factory location Upon arrival at the hostel, they were informed that they need to pay the service provider, INR 750 every month . 6. As per practice workers need to pay cost of transport and accommodation for the full month if the facilities are used for more than 15 days and if they are used for less than 15 days, costs are calculated on pro-rata basis.</p>

<p>Recommendation for Immediate Action</p>	<p>1. Compensate workers with overtime premium in addition to provision of compensatory rest day for work done on rest days. 2. Provide wage slip in a language that understood by all migrant workers. 3. Record date when obtaining consent from workers on the document. 4. Ensure wage slip is provided to workers prior to disbursement of wages. 5. Communicate clearly on information regarding all payments to migrant workers prior to arrival at factory location. 6. Ensure workers pay for services when used.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>
<p>Local Law</p>	<p>1. Minimum wages Central Rules 1950, Rule 23(4): An employee shall be granted for rest day wages calculated at the rate applicable to the next preceding day and in case he works on the rest day and has been given a substituted rest day, he shall be paid wages for the rest day on which he worked, at the overtime rate and wages for the substituted rest day at the rate applicable to the next preceding day. 2. Minimum Wages Central Rules 1950, Rule 26 (2): A wage slip in Form XI shall be issued by every employer to every person employed by him at least a day prior to the disbursement of wages.</p>
<p>Benchmark ID</p>	<p>C.21.1</p>
<p>Benchmark Details</p>	<p>Employers shall provide all legally mandated benefits, including holidays, leave, bonuses, severance payments and 13th month payments to all eligible workers within legally defined time periods.</p>
<p>Finding Details</p>	<p>The wages and unused leave for resigned workers are not paid on time as per legal requirement. Factory paid the wages for 7 out of 10 sample workers within 6 to 10 days after the resignation instead of 2 days as legally required.</p>
<p>Recommendation for Immediate Action</p>	<p>Pay the wages and remaining unused leave for resigned workers as per legal requirement, within 2 days after the resignation.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>

Local Law	<p>Item 13(3) of Schedule 1 appended to Industrial Employment (Standing Orders) Rules 1946: Where the employment of any workmen is terminated, the wages earned by him and other dues, if any, shall be paid before the expiry of the second working day from the day on which his employment is terminated. Factories Act 1948, Chapter VIII section 79. Annual leave with wage (3)- If a worker is discharged or dismissed from service or quits his employment or is superannuated or dies while in service, during the course of the calendar year, he or his heir or nominee, as the case may be, shall be entitled to wages in lieu of the quantum of leave to which he was entitled immediately before his discharge, dismissal, quitting of employment, superannuation or death calculated at the rates specified in sub-section (1), even if he had not worked for the entire period specified in sub-section (1) or sub-section (2) making him eligible to avail of such leave, and such payment shall be made-- i) where the worker is discharged or dismissed or quits employment, before the expiry of the second working day from the date of such discharge, dismissal or quitting.</p>
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**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	Factory has established multiple grievance channels, including direct reporting to supervisors, welfare officers and worker committee's representative. However, all grievances received through those channels are not documented.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.11.2

Benchmark Details	Employers must ensure the following minimum terms and conditions are met in the employment of contract/contingent/migrant/temporary workers: Contract/contingent/migrant/temporary workers shall be provided an employment agreement in their native language setting out the employment terms and conditions. for migrant workers, a copy of their employment contract in their native language shall be provided prior to departure from their country of origin;
Finding Details	During assessment period, it was noted that 66% of migrant workers were from state (region)of Odisha. Employment contracts for these workers are in Hindi language and not in Odiya language. Not all migrant workers from the region read Hindi language though they speak and understand Hindi Language. Management shared that the contact person for migrant workers in the factory reads Hindi language and explains the content of the contract to workers. The contact person was interviewed by the assessors and it was noted that he was not well versed with written Hindi language and could not read the contents clearly. Such arrangement could be a risk for incomplete and incorrect communication on terms of employment to migrant workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.5.1
Benchmark Details	Employers shall ensure that all supervisors are trained in national laws, workplace regulations, and the FLA Code, workplace grievance systems, and the appropriate practices to ensure compliance.
Finding Details	Factory provides training on Code of Conduct to managerial level. However, it only covers 132 supervisor instead of all 324 supervisors and managers.
Recommendation for Immediate Action	



Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.17.1
Benchmark Details	Employers shall have a clear and transparent system of worker and management communication that enables workers to consult with and provide input to management. This might include suggestion boxes, worker committees, designated spaces for worker meetings, union representatives, and meetings between management and workers' representatives.
Finding Details	1. Factory has established multiple grievance channels, including direct reporting to supervisors, welfare officers and worker committee's representative. However, all grievances received through those channels are not documented. Thus, it is difficult to verify whether the concerns are addressed properly. 2. Factory maintains the log of suggestion box. However, it lacks of information of location of the box, reference number and when the box is opened. Therefore, it is difficult to verify whether all suggestion boxes are opened regularly and the grievances are recorded properly. 3. Factory maintains the meeting record of grievance committee. However, it lacks of date and status of action taken towards reported grievances. 4. Factory has established grievance committee at the workplace. However, there are no worker representatives from Cutting, Washing, Printing, Finishing and Embroidery Section.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.1.1

Benchmark Details	Employers shall have in place written policies and practices and maintain proper and accurate records governing all aspects of employment from recruitment, hiring and probation, including written terms and conditions of employment, job descriptions, administration of compensation, and working hours for all positions, through to retrenchment and termination processes.
Finding Details	Written policy and procedures on Recruitment and Hiring do not include information on recruitment of domestic migrant workers from training centers operated by the group which owns the factory and external training agencies. Currently factory employs 22% of workers from 2 training centers (one owned by the group and one external) located in a different regions in the country.
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 issued warning letters for 2 workers in February 2024. However, it lacks of issuance date and information of date and time of misconduct by the workers.
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	Written procedures on performance reviews does not include information on scoring criteria based on which performance is evaluated. Procedures do not define the need to discuss results of evaluations with workers, requirement to train employees and the need to maintain documentation.
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.Factory does not have written procedures on promotion, demotion and job reassignments. 2. It is difficult to verify whether the factory promotes the workers in a fair and transparent way. The results of performance evaluation of promoted workers are not maintained properly. The documented results only provide information of reasons for promotions and not signed by evaluator and worker.
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. During assessment period, communication on Code of Conduct was provided to 2468 out of 2753 workers. 2. FLA Code of Conduct is not available / communicated to workers. Workers were not aware of FLA. 3. Company Code of Conduct is posted in English and local language (Kannada) and is not available in languages spoken by migrant workers
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. Employment documents pertaining to each worker, are maintained in separate files instead of maintaining all documents in one file. E.g Proof of age of all workers is maintained in one file, nomination form for social security signed by all workers is maintained in one file, consent signed by workers for voluntary deductions is maintained on one file. With this practice, employment documents for individual workers cannot be reviewed easily and it takes time to gather all documents for each worker. It took time to provide employment documents for sampled workers which delayed the assessment process. 2. Factory does not sign employment contracts with domestic migrant workers prior to the workers traveling to factory location from their region of origin when recruiting them from the regions across the country . Information on terms of employment (wages, working hours, legally mandated deductions, information about accommodation) and pictures of the factory is shared at place of origin through a power point presentation. Contracts are signed with workers post arrival of workers in the factory. Hence it cannot be verified if all terms of employment was communicated to migrant workers prior to travel to the factory. Migrant worker interviewed were not made aware in advance of the cost of accommodation that they pay to the service provider that provides hostel facility for workers from the factory. 3. There are additional clauses in terms of employment recorded in signed employment contracts in Hindi language (for domestic migrant workers) that are missing or different from contracts in local language Kannada (for local workers). E.g # 1. Clause 11 in Hindi version states that unauthorized leave is allowed for 8 days resulting in termination of employment while the Kannada version states 7 days. E.g # 2. Hindi version states that change in address needs to be intimated within 24 hours where as there is no such clause in the Kannada version. E.g # 3. Clause in Hindi version states that employment will be terminated if there is an police complaint registered against the worker while this clause is not included in the Kannada version. 4. Outsourced security guards need to pay for their uniforms when they are hired. Damaged uniforms are replaced free of cost by the service provider. 5. Contents of the confirmation letter provided post completion of probation period to migrant workers in Hindi language, cannot be easily understood to communicate the status of employment. The construction of the sentences and words used are incorrect. 6. Wages payable to outsourced security guards is not reflected on appointment letter signed by the guard as was noted from review of employment documents for 3 sampled guards hired in 2018, 2019 and 2023. 7. Hand outs distributed when recruiting workers states

	<p>female and male workers are required for working in shifts 6.00 am to 2.00pm and from 2.00pm to 10.00pm. Legally female workers are not permitted to work beyond 7.00 pm. 8. Notice to inform workers about termination of employment is in English and not in local language or language spoken and understood by local and migrant workers. 9. Past experience of workers is not recorded in the job application maintained electronically though it is recorded in the job application maintained manually. 10. Name of nominee for payment of gratuity is recorded manually and signed by workers. Nominee for other benefits like Employees State Insurance Scheme, Payment of wages in case of death and for Social Security) is recorded electronically in the system and digital signature of worker obtained at time of hiring is attached. This could be a risk for incorrect information being recorded without knowledge and consent of workers.</p>
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	Workers are not consulted when policies and procedures are reviewed and factory does not obtain input from workers. Workers are consulted for concerns with health & hygiene standards and for any decisions pertaining to temporary changes in working hours.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

Benchmark ID	ER.18.3.4
Benchmark Details	Records of disciplinary action must be maintained in the worker's personnel file.
Finding Details	As shared by management, written warnings are usually not provided to workers. Workers are counseled and verbal warnings are provided. Warning letters were issued to 2 workers in February 2024. As a practice, warning letters are filed in a common file and not on individual file of workers.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	ER.3.3
Benchmark Details	Workers should be provided with written documentation that substantiates all the issues covered in orientation briefings.
Finding Details	Workers do not receive documentation that substantiates all issues covered in orientation.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
<b>Harassment Or Abuse (H/A)</b>	
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 has not displayed the penal consequences of harassment at the workplace.
Recommendation for Immediate Action	Display the penal consequences of harassment at the workplace.
Compliance Classifications	Immediate Action Required
Local Law	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.

### Health, Safety And Environment (HSE)

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	Factory has an emergency response team who are assigned responsibilities, however, the training on specific responsibilities is not provided. For example, procedures for evacuating pregnant women and special categories of workers during emergency situation.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	



Benchmark ID	HSE.5.1
Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all of the following elements: posting evacuation plans; the installation and maintenance of fire alarms; the installation and maintenance of emergency lighting; ensuring aisles/exits are not blocked and that workers are not blocked within their workstations; employee education and training; and evacuation procedures and fire drills.
Finding Details	Exit direction markings in Cutting, Embroidery, Printing, Washing and Dyeing departments are faded.
Recommendation for Immediate Action	Ensure exit directions are prominently visible at all times.
Compliance Classifications	Immediate Action Required
Local Law	The 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	Factory does not conduct an assessment after drill to learn how to improve evacuation process.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.5.1.4

Benchmark Details	All applicable, legally required or recommended elements of safe evacuation shall be complied with, including all the following: ensuring aisles/exits are not blocked and that workers are not blocked within their workstations
Finding Details	Few evacuation routes in cutting section were seen partially blocked with bins and tables restricting easy movement. In the cutting department, workers were seen standing on evacuation route when working resulting in partial blockage of the route. Electric chord connecting portable cutting machine with main power source was lying on the floor close to feet of machine operator. This could restrict quick and easy evacuation and can be a risk of injury if the chord gets entangled with the feet of the operator.
Recommendation for Immediate Action	Ensure evacuation routes in cutting section are maintained clear at all times.
Compliance Classifications	Immediate Action Required
Local Law	The Factories Act 1948, Section 38 (1) (a): In every factory, all practicable measures shall be taken to prevent outbreak of fire and its spread, both internally and externally, and to provide and maintain safe means of escape for all persons in the event of a fire.
Benchmark ID	HSE.9.1
Benchmark Details	All chemicals and hazardous substances shall be properly labeled and stored in secure and ventilated areas and disposed of in a safe and legal manner, in accordance with applicable laws and international standards.
Finding Details	1. Spill kit is provided in non hazardous chemical storage area and is not provided in other chemical storage areas and near diesel storage areas. 2. Secondary containment is not provided for 1 out 2 diesel storage tanks near power generators.
Recommendation for Immediate Action	1. Ensure spill kit is provided in all chemical and oil storage areas. 2. Ensure secondary containment is provided for all diesel storage tanks.

Compliance Classifications	Immediate Action Required
Local Law	The 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 substance
Benchmark ID	HSE.25.1.1
Benchmark Details	All dormitories shall be kept secure, clean, and have safety provisions (e.g. fire extinguishers, first aid kits, unobstructed emergency exits, emergency lighting).
Finding Details	The factory has not obtained a No Objection Certificate from the fire department for the two buildings used to accommodate migrant workers. However, fire safety measures, such as evacuation plans, fire alarms, fire extinguishers, and hydrants, are in place in the buildings.
Recommendation for Immediate Action	Obtain a No Objection Certificate for the hostels from local fire department.
Compliance Classifications	Immediate Action Required
Local Law	The Bruhat Bangalore Mahanagara Palike (BBMP), through a resolution in 2013, made registration, and a trade license compulsory in order to operate a hostel. All hostels must have obtained a fire safety clearance, that may be obtained from the local fire department, clearance for the emergency services department. These may be obtained via application to either the fire department, emergency services department, the or the electricity board or corporation that is nearest to the hostel in question
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	Factory has conducted temperature assessment in January 2024 for printing, washing and sewing section. However, it has not covered cutting, finishing, dyeing and embroidery section.
Recommendation for Immediate Action	Ensure all departments are included in thermal assessments.
Compliance Classifications	Immediate Action Required
Local Law	The Factories Act 1948, Section 13 (1) (b): Effective and suitable provision shall be made in every factory for securing and maintaining in every workroom such a temperature as will secure to workers therein reasonable conditions of comfort and prevent injury to health.
Benchmark ID	HSE.14.1
Benchmark Details	All production machinery, equipment and tools shall be properly guarded and regularly maintained.
Finding Details	<ol style="list-style-type: none"> <li>1. The factory uses 28 buses provided by external service providers to transport workers. However, the factory does not inspect these buses to ensure that safety standards are maintained.</li> <li>2. Factory does not have a system in place to ensure that authorized persons drive transport provided by service providers to transport workers.</li> <li>3. Ladder without a safety lock and anti skid stopper under legs was seen in the maintenance workshop.</li> <li>4. Safety door of the cargo lift near chemical storage area could be opened when the car was not the floor.</li> <li>5. Safety guard is not installed on thread winding machines in the cutting section. This could cause injury to workers working close to the machine.</li> </ol>
Recommendation for Immediate Action	<ol style="list-style-type: none"> <li>1. Ensure all buses provided by external service providers used by the factory to transport workers are inspected periodically to ensure safety standards are maintained.</li> <li>2. Ensure that authorized persons drive transport provided by service providers to transport workers.</li> <li>3. Ensure ladder without a safety lock and anti skid stopper under legs is not used by maintenance team.</li> <li>4. Ensure locking arrangement of safety door of the cargo lift near chemical storage area is functional at all times.</li> <li>5. Ensure safety guard is installed on thread winding machines in the cutting section.</li> </ol>

Compliance Classifications	Immediate Action Required
Local Law	The 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	Factory does not have a fire brigade. Employees trained in handling fire and hydrants are not provided with any basic PPE like gas masks.
Recommendation for Immediate Action	Provide gas masks to fire fighting team.
Compliance Classifications	Immediate Action Required
Local Law	The 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 substance
Benchmark ID	HSE.27.3
Benchmark Details	Children must not visit parents in workplace areas.
Finding Details	The child care attendant is a qualified teacher for educational purposes but is not legally qualified to manage children. She does not possess nursing qualifications or a certificate demonstrating that she has undergone at least 18 months of training in child care at a hospital, maternity home, or nursing home approved by the Chief Inspector of Factories.

Recommendation for Immediate Action	Employ qualified persons at the child care.
Compliance Classifications	Immediate Action Required
Local Law	Karnataka Factories Rules 1969 - Chapter V -Welfare 104. Creche Staff - (2)Except as in sub-section (2) of Section 48, no woman shall be appointed under sub-rule (1) as a woman-in-charge unless she possesses a Nurse's qualifications or produces a certificate that she has undergone training for a period of not less than 18 months in child care in a hospital, maternity home, or nursing home approved in this behalf by the Chief Inspector.
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	The factory has not conducted internal inspection for pressure vessels.
Recommendation for Immediate Action	Conduct internal inspection on pressure vessels as per legal requirement.
Compliance Classifications	Immediate Action Required
Local Law	The Karnataka Factories Rules 1969, Rule 65. Pressure vessels or plant: (7) - (a) - very pressure vessel or plant in service shall be thoroughly examined by a competent person: (i) externally, once in every period of six months; (ii) internally, once in every period of twelve months: Provided that, if by reason of the construction of a pressure vessel or plant, a thorough internal examination is not possible, this examination may be replaced by a hydrostatic test which shall be carried out once in every period of two years.

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 provides two hostels managed by external service providers as accommodation for domestic migrant workers. Around 507 workers (387 female and 120 male) or 22% of total workforce are staying in the hostels. However, the hostels are operating without valid registration from the local government, no trade license as well as No objection certificate from local municipal corporation. Additionally, there is no written communication with local police station. 2. Beds, mattress, pillows, closed wardrobes are not provided to workers in the dormitories. Workers sleep on bedspreads or thin woven mats spread on the hard floors. Workers are provided with one open metal rack with two shelves, to keep their belongings (clothes) which is shared by 8 to 10 workers in the room. The arrangement may cause a risk for infections and uncomfortable situation for workers since they need to share common racks. 3. There is no female security guard in the female dormitory. There are two male security guards and a female warden. 4. Factory provides aprons to childcare workers which is worn over the clothes used by the workers. The practice does not rule out risk of infection to children from contaminated clothes of child care workers. 5. Female security guards are seen distributing PPEs to workers in sewing section which is not her job requirement. 6. Bins with closed lid are missing from two female toilets and a common bin is kept inside a female toilet. 7. Clothes provided to children in the childcare room are commonly used by children and not provided separately for individual child. The clothes are washed every day and reused. This could be a risk for infection to children. 8. Bio medical waste is disposed once a month and until disposal, is kept in unsealed bins in medical room. 9. Sanitary pads are made available in medical room at a cost.</p>

<p>Recommendation for Immediate Action</p>	<p>1. Comply with legal requirement for operating license of hostels used by the factory to accommodate the workers. 2. Provide proper arrangements for workers to sleep and store their belongings. 3. Assign a female security guard at the female hostel. 4. Provide clean clothes to creche staff. 5. Ensure female security guard is not assigned the task of distributing PPEs. These should be distributed by responsible persons trained in handling PPE. 6. Provide bins with closed lids in individual stall of female toilets. 7. Ensure clothes provided for each child are not used by other children. 8. Dispose the bio medical waste at regular intervals. 9. Provide sanitary pads in the toilets.</p>
<p>Compliance Classifications</p>	<p>Immediate Action Required</p>



<p>Local Law</p>	<p>1. Bruhat Bangalore Mahanagara Palike (BBMP), through a resolution in 2013, made registration, and a trade license compulsory in order to operate a hostel. Hostels require various types of permits as may be prescribed by the local law, and require registration. These include a number of permits, including 1. a trade license for carrying on the business of the hostel, 2. a No-objection certificate from the local municipal corporation, the municipality, or the local panchayat, as the appropriate body may be. 3. The local police station must also be informed of the hostel being brought up, and its location as well. Interested applicant may apply to the relevant corporation, and after due examination of all papers and the premises, a No-objection certificate may be provided. Further, another requirement is that hostels be registered under the Sarai Act, 1867. Any hostel not registered under the Sarai Act are liable to be closed down upon opening for business. All hostels must have obtained a fire safety clearance, that may be obtained from the local fire department, clearance for the emergency services department, and a No-Objection certificate from the Pollution Control Board and for the electricity supply, they must also have received clearance from the electricity board. 2. Karnataka Factories Rules 1969 Chapter V - Welfare Rule 104. Creche Staff (4) The creche staff shall be provided with suitable clean clothes for use while on duty in the creche. 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. Karnataka Factories Rules 1969 Welfare Rule 23. Creche, Section 48 and Rules- An adequate supply of clean clothes, soap and clean towels shall be made available for each child while it is in the Creche. 5. 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.</p>
<p>Benchmark ID</p>	<p>HSE.28</p>
<p>Benchmark Details</p>	<p>Employers shall create a system to ensure that all necessary Health and Safety protections are provided for external contractors; including protection when working within , confined spaces, maintenance issues, and general Health and Safety Issues.</p>

Finding Details	Factory shared a document for training conducted for external contractors who came to repair external wall of the factory near ETP area. The topics reflected training on all machine safety , restriction on smoking and use of fire fighting equipment rather than use of safety equipment like helmet, hand gloves, safety shoes.
Recommendation for Immediate Action	Conduct appropriate trainings for contractors.
Compliance Classifications	Immediate Action Required
Local Law	The Factories Act 1948, Section 7A(2A): Every occupier shall ensure, so far as is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory without prejudice to the generality of the provisions of subsection (1), the matters to which such duty extends, shall include-the provision and maintenance of plant and systems of work in the factory that are safe and without risks to health.
Benchmark ID	HSE.14.3
Benchmark Details	Employers shall ensure safety instructions are either displayed or posted near all machinery or are readily accessible to the workers in language(s) spoken by workers.
Finding Details	Safety instructions are not displayed near machinery used in the factory.
Recommendation for Immediate Action	Display safety instructions near machinery used in the factory.
Compliance Classifications	Immediate Action Required
Local Law	The Factories Act 1948, Section 7A (2b): Every occupier should have arrangement in the factory for ensuring safety and absence of risk to health in connection with the use, handling, storage and transport of articles and substances.
Benchmark ID	HSE.29

Benchmark Details	Employers shall provide all necessary protection for workers when working at heights, confined spaces, and other high-risk areas.
Finding Details	1. Confined spaces (under ground water tanks) are not marked and safety fencing is not installed near the area. Warning signs are not posted near confined spaces. 2. There were no documented evidence able to verify if safe procedures are followed by persons entering confined spaces. 3. Though logs are maintained to reflect periodic inspection of equipment and tools used by maintenance team, information on nature of inspection, observations and corrective action taken is not maintained. There is no information on number of tools and equipment used (like hammers, drilling and grinding machines) and there is no system in place to identify each tool and equipment. Hence it cannot be verified if these are inspected for safe usage.
Recommendation for Immediate Action	1. Ensure confined spaces are fenced, marked and warning signs are posted. 2. Ensure documentation is maintained when persons enter confined spaces. 3. Ensure all maintenance equipment and tools are properly identified and inspected and inspection logs are maintained.
Compliance Classifications	Immediate Action Required
Local Law	The 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	Factory provides training on ergonomics and lifting techniques to 630 out of 2753 workers. Factory plans to train the balance workers in upcoming months.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.18.1
Benchmark Details	Medical facilities shall be established and maintained in factories as required by applicable laws.
Finding Details	Doctor is available for 5 hours on 5 days every week instead of being available during all working hours on all working days.
Recommendation for Immediate Action	Assign adequate doctors during all working hours.
Compliance Classifications	Immediate Action Required
Local Law	Karnataka Factories Rules 1969 - Part VI - Medical requirements -2. Occupational health centre - 3 - For factories employing above 200 workers (a) —There shall be one full-time Factory Medical Officer for factories employing 500 workers and one more Medical Officer for every 1000 workers or part thereof. ,
Benchmark ID	HSE.30.2.6
Benchmark Details	The health, safety, and environmental policies shall contain the framework for a comprehensive health, safety, and environmental management system including a HS&E risk assessment within which the following are clear and regularly tested and reviewed:protections to workers who allege health, safety, and environmental violations;
Finding Details	Factory has conducted a risk assessment however it is incomplete and does not include all parameters to calculate risk. Number of workers exposed to risk, number of workers impacted, frequency of possible injury and severity is not considered when calculating the risk. Administrative controls are not defined.
Recommendation for Immediate Action	

Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.7
Benchmark Details	<p>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.</p>
Finding Details	<p>1. While aprons, masks and hand gloves are provided to workers in washing and dyeing departments, water resistant footwear is not provided. Workers were seen using soft fabric shoes which does not protect the skin from coming in contact with water when handing garments. 2. Cooks were seen using thin poly gloves (used when serving good) while they were cooking. A cook was seen using such gloves when holding heated clipper while baking bread (roti) on heated pan. These gloves are not heat resistant and would get damaged from heat resulting in possible burn injury to hands of workers. 3. Factory does not have a system in place for provision and monitoring of PPEs provided to workers. Damaged hand gloves was being used by one of the 3 boiler operators near sewing department. Few damaged hand gloves were seen stored in the boiler room. Damaged helmet of welder was seen kept in maintenance room. A new helmet was available but was not being used as was noted from the stains on the glass. A helmet kept in electrical panel room had cob webs inside indicating it was not used. 4. Factory does not have a system in place to for inspection of fall equipment like helmets, ladders and safety ropes. Buckles and tackles of safety ropes were seen rusted. A ladder with missing leg locking arrangement and anti skid stoppers were seen in the maintenance room indicating possible use.</p>
Recommendation for Immediate Action	<p>1. Provide appropriate footwear to workers in washing and dyeing departments. 2. Provide appropriate hand gloves to cooks. 3. Ensure proper PPEs are used by workers. Monitor usage and replacement of damaged PPEs. 4. Inspect fall equipment periodically and replace when required.</p>

Compliance Classifications	Immediate Action Required
Local Law	The 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 substance
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	During the assessment period, training on personal protective equipment (PPE) was provided to 1,448 out of 2,753 workers. The factory plans to train the remaining workers in the upcoming months.
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	The factory does not provide training on the safe operation of vehicles.
Recommendation for Immediate Action	Provide training on safe operation of vehicles to all drivers and users.
Compliance Classifications	Immediate Action Required

Local Law	The 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.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	During the assessment period, training on chemical safety was provided to 431 out of 530 chemical handlers. The factory plans to train the remaining workers in the upcoming months.
Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	
Benchmark ID	HSE.17.1
Benchmark Details	Workstations, including seating and standing arrangements and reach required to obtain tools, shall be designed and set-up in such a manner as to minimize bodily strains.
Finding Details	1.Seating areas are not provided to workers with standing jobs in all production processes. 2. Anti- fatigue mats are not provided for all workers with standing jobs in Cutting department while these mats are provided to workers in other production areas.
Recommendation for Immediate Action	1. Provide seating areas for all workers with standing jobs in all production processes. 2. Provide anti-fatigue matsfor all workers with standing jobs in Cutting department.
Compliance Classifications	Immediate Action Required

Local Law	1. The 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. The 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.
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**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 August 2024, 1 out of 17 sampled female workers worked until 7.30 p.m. for two days in the month. Legally, female workers are not permitted to work between 7.00 p.m. and 6.00 a.m.
Recommendation for Immediate Action	Ensure female workers do not work beyond 7.00 p.m.
Compliance Classifications	Immediate Action Required
Local Law	The Factories Act 1948, Section 66 (1) (b): Further restrictions on employment of women. The provisions of this Chapter shall, in their application to women in factories, be supplemented by the following further restrictions, namely- no woman shall be required or allowed to work in any factory except between the hours of 6 a.m. and 7.00 p.m.
Benchmark ID	HOW.9.2
Benchmark Details	Employers shall take reasonable steps to inform workers about the nature and expected duration of the circumstances sufficiently in advance to allow workers to make alternative plans.
Finding Details	Overtime requirements are communicated to workers prior to lunch breaks rather than before the start of shifts.



Recommendation for Immediate Action	
Compliance Classifications	Sustainable Improvement Required
Local Law	

