

Sedex Members Ethical Trade Audit (SMETA) Report

Version 5.0 Dec 2014, 2/4 Pillar Audit; replaces version 4.0 May 2012

Supplier name:	MADHURA GARMENTS	
Site country:	INDIA	
Site name:	MADHURA GARMENTS	
Parent Company name (of the site):	MADHURA GARMENTS	
SMETA Audit Type:	<input checked="" type="checkbox"/> 2-Pillar	<input type="checkbox"/> 4-Pillar
Date of Audit	01 JUL 2016	

Audit Content:

- (1) A SMETA audit was conducted which included some or all of Labour Standards, Health and Safety, Environment and Business ethics. The SMETA Best Practice Guidance Version 5 December 2015 was applied. The scope of workers included all types at the site e.g. direct employees, agency workers, workers employed by service providers, and workers provided by other contractors. Any deviations from the SMETA Methodology are stated (with reasons for deviation) in the SMETA Declaration.
- (2) The audit scope was against the following reference documents
 - 2-Pillar SMETA Audit
 - ETI Base Code
 - SMETA Additions
 - Management systems and code implementation,
 - Entitlement to Work & Immigration,
 - Sub-Contracting and Home working,
 - 4-Pillar SMETA
 - 2-Pillar requirements plus
 - Additional Pillar assessment of Environment
 - Additional Pillar assessment of Business Ethics
 - The new ETI Working Hours Clause
 - Now integrated into this latest SMETA version.

Where appropriate non-compliances were raised against the ETI code / SMETA Additions & local law and recorded as non compliances on both the audit report, CAPR and on Sedex.





Eurocert Inspection Services Pvt Ltd

Audit Company Name: Eurocert Inspection Services Pvt Ltd	Report Owner (payee): MADHURA GARMENTS
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC1090485
Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS1001685

Audit Conducted By			
Commercial	<input checked="" type="checkbox"/>	Purchaser	<input type="checkbox"/>
NGO	<input type="checkbox"/>	Retailer	<input type="checkbox"/>
Trade Union	<input type="checkbox"/>	Brand Owner	<input type="checkbox"/>
Multi-stakeholder	<input type="checkbox"/>	Combined Audit (select all that apply)	

Auditor Reference Number: <i>(If applicable)</i>	EURO/2016/011
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SMETA Declaration

I declare that the audit underpinning the following report was conducted in accordance with SMETA Best Practice Guidance and SMETA Measurement Criteria.

Any exceptions to this must be recorded here (e.g. different sample size):

Auditor Name(s) (please list all including all interviewers):

Auditor : RAVICHANDRAN.R
 Team auditor:
 Interviewers: RAVICHANDRAN.R

Date: 01 Jul 2016

Non-Compliance Table

Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i>	Area of Non-Conformity <i>(Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)</i>			Record the number of issues by line*:		
	ETI Base Code	Local Law	Additional Elements (i.e. not part of ETI code)	NC	Obs	GE
0 Management systems and code implementation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	X	X	X
1 Employment Freely Chosen	<input type="checkbox"/>	<input type="checkbox"/>		X	X	X
2 Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		X	X	X
3 Safety and Hygienic Conditions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		2	X	X
4 Child Labour	<input type="checkbox"/>	<input type="checkbox"/>		X	X	X
5 Wages and Benefits	<input type="checkbox"/>	<input type="checkbox"/>		X	X	X
6 Working Hours	<input type="checkbox"/>	<input type="checkbox"/>		X	X	X
7 Discrimination	<input type="checkbox"/>	<input type="checkbox"/>		X	X	X
8 Regular Employment	<input type="checkbox"/>	<input type="checkbox"/>		X	X	X
8A Sub-Contracting and Homeworking		<input type="checkbox"/>	<input type="checkbox"/>	X	X	X
9 Harsh or Inhumane Treatment	<input type="checkbox"/>	<input type="checkbox"/>		X	X	X
10A Entitlement to Work		<input type="checkbox"/>	<input type="checkbox"/>	X	X	X
10B2 Environment 2-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	X	X	X
10B4 Environment 4-Pillar		<input type="checkbox"/>	<input type="checkbox"/>	NA	NA	NA
10C Business Ethics		<input type="checkbox"/>	<input type="checkbox"/>		X	X

**Please note the table above records the total number of Non compliances (NC), Observations (Obs) and Good Examples (GE). This gives the reviewer an indication of problem areas but does not detail severities of each issue – Reviewers need to check audit results by clause.*

Summary of Findings

Summary of main findings: (positive and negative)
 (Please give a short summary of the main findings per clause)

The products manufactured at this site are Knitted Garments.
 Overall responsibility for meeting the standards have taken by the Mr. Nagarajan.S (Senior Management Representative)
 There are total 40 workers, Male workers are 21 and female workers are 19. All are permanent workers.
 The Youngest worker on site was 20 years Ms.Parimala.V (checker)
 There is no union in the factory.
 Worker representative Mr.Mahesh.J (Tailor) was present during opening & closing meeting.
 No excessive over time was observed.
 Factory is not using sub-contractors.
 10 workers were selected for Interview. The Auditor interviewed 6 workers in a 2 groups and balance 4 workers were interviewed individually.
 Pay records and time records verified for the months of MAY – 2016 and DEC – 2015.
 Standard working hours is 48 hours in a week and Sunday is a weekly off.
Factory is paying Legal Minimum wage,
 Overtime is paid on 200% basis which is double the wage rate which was conformed through workers interview and Documents Review also.
2 Non-compliance was noted.

Observations: NIL

GE: NIL

Best Practice Observed: Yes

Additional Auditor Remark:
 None

Audit Description

This audit was conducted by **Eurocert Inspection Services Pvt Ltd**, it for 1 Audit day. Factory operations were assessed / verified against the ETI Base Code and local legislations on a sample basis.

Overview of opening Meeting and Management Response

At 9:50 AM, auditor entered the facility then held an opening meeting according to the SEDEX ETI Base Code; the proprietor Mr.Sivaprasad.P.V AND Mr.Veeramani.S Worker representatives and factory executives were present throughout the audit. They were cooperative with this audit.

A total of 10 Payroll and time records of each month were reviewed,

DEC – 2015 (random Selected), 10 Time and payroll records were reviewed.
 MAY – 2016 (random selected), 10 payroll and time records were reviewed.
 10 workers were interviewed including 06 workers for Group interview.

Summary of Findings (Positive and Negative)

Positive:

- The workers have a positive attitude towards the management.
- They are satisfied with the work environment and the facilities provided by the employer.
- There is a good worker-management relationship.

- No negative comments received from any of the workers.
- No strikes have taken place from the date of operation till date.
- There is no child labour employed in this factory.

Audit Details

Audit Details	
A: Report #:	EURO/2016/011
B: Time in and time out <i>(SMETA Best Practice Guidance and Measurement Criteria recommends 9.00–17.00 hrs. if any different please state why in the SMETA declaration)</i>	Day 1 Time in: 9.45 am Day 1 Timeout: 5.30 pm
C: Number of Auditor Days Used: <i>(number of auditor x number of days)</i>	1x1 (One Auditor Audited for 1 day)
D: Audit type:	<input checked="" type="checkbox"/> Full Initial <input type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input type="checkbox"/> Partial Other – Define
E: Was the audit announced? <i>(AAG recommends a window of three weeks for semi-announced, this gives optimum results)</i>	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail:---- weeks , week :---- <input type="checkbox"/> Unannounced
F: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
If No , why not? <i>(Examples would be, site has not completed SAQ, site has not been asked to complete the SAQ.)</i>	N/A
G: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause
H: Auditor name(s) and role(s):	RAVICHANDRAN R (AUDITOR)
I: Report written by:	RAVICHANDRAN R (AUDITOR)
J: Report reviewed by:	VIPASHA CHAUHAN
K: Report issue date:	01 JUL 2016
L: Supplier name:	MADHURA GARMENTS
M: Site name:	MADHURA GARMENTS

N: Site country:	INDIA			
O: Site contact and job title:	Mr. GOVINDARAJ.K (Proprietor)			
P: Site address: (Please include full address)	37, R.V.E Nagar South, Kangayam Main Road, Tirupur-641 604.			
Site phone:	+ 91 421 4355492			
Site fax:	-			
Site e-mail:	raja@madhuragaarments.com			
Q: Applicable business and other legally required licence numbers: for example, business license no, and liability insurance	Factory Licence: TP 17428 Fire License No.: 28/2016 Approved Building Plan :79/2016 date : 02/01/2016 ESIC Code No: 56001024870000106 EPF Code No: TN/CBE/0078198/000 IEC: 3204007898			
R: Products/Activities at site, for example, garment manufacture, electrical, toys, grower	Manufacturing of Knitted Garments			
S: Audit results reviewed with site management?	YES			
T: Who signed and agreed CAPR (Name and job title)	Mr. GOVINDARAJ.K			
U: Did the person who signed the CAPR have authority to implement changes?	YES			
V: Present at closing meeting (Please state name and position, including any workers/union reps/worker reps):	Mr.Govindaraj.K (Proprietor) Mr.Nagarajan.S (SMR) Ms.Divya.N (Hr Executive) Mr.Mahesh.J (Worker Representative) Mrs.Selvi.D (Committee Representative) Mr.Jayachandran (Committee Member)			
W: What form of worker representation / union is there on site?	<input type="checkbox"/> Union (name) <input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None			
X: Are any workers covered by Collective Bargaining Agreement (CBA)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Y: Previous audit date:	10 Jun 2015			
Z: Previous audit type:	NA	SMETA 2-pillar	SMETA 4-pillar	Other
	Full Initial	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Periodic	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Full Follow-Up Audit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Partial Follow-Up	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Partial Other*	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*If other, please define:				

Audit Scope/Actual Results

Criteria	Local Law <i>(Please state legal requirement)</i>	Actual at the Site <i>(Record site results against the law)</i>	Is this part of a Collective Bargaining Agreement?
A: Standard/Contracted work hours: <i>(Maximum legal and actual required working hours excluding overtime, please state if possible per day, week and month)</i>	Legal Maximum: 8 hours per day,48 hours per week,208 hours per month	Legal Maximum: 8 hours per day,48 hours per week,208 hours per month	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Legal Overtime hours: <i>(Maximum legal and actual overtime hours, please state if possible per day, week and month)</i>	Factories act 1948,(i) in making rules under this section, the state government shall not exceed, except in respect of exception under clause (a) of sub section (2) (iii) the total number of hours of over time shall not exceed seventy five] (iv) total number of hours of overtime shall not exceed fifty two for any quarter. Explanation. Quarter means a period of three consecutive months beginning on the 1 st of January the 1 st of April, 1 st of July or the 1 st of October	No Overtime was performed by the facility during the sampled months. However, facility has a policy to not exceed legal limits.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Legal age of employment: <i>(Minimum legal and actual minimum age at site)</i>	Sec 67. of Factories Act 1948, No child who has not completed his fourteenth year shall be required or allowed to work in any factory.	20 yrs.	
D: Legal minimum wage for standard/contracted hours: <i>(Minimum legal and actual minimum wage at site, please state if possible per hr, day, week and month)</i>	Legal Minimum Unskilled: 4859 INR/PM Semi-Skilled: 5309 INR/PM Skilled: 7109 INR/PM	Unskilled: 4859 INR/PM Semi-Skilled: 5309 INR/PM Skilled: 7109 INR/PM	<input checked="" type="checkbox"/> No
E: Legal minimum overtime wage: <i>(Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week and month)</i>	Factories Act 1948, Chapter VI, Section 59 (1), where a worker works in a factory more than 09 hours a day or more than 48 hours a week, he shall in respect of overtime work be entitled to wages at the rate of twice his ordinary rate of wages.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Audit Scope <i>(Please select the code and additional requirements that were audited against during this audit)</i>	
2–Pillar Audit	<input checked="" type="checkbox"/>
10B4: Environment 4–Pillar	<input type="checkbox"/>
10C: Business Ethics	<input type="checkbox"/>
All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers,	<input type="checkbox"/>

Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors.

Note: The main focus of this ethical audit is on the ETI Base Code and local law. The additional elements will not be audited in such depth or scope, but the audit process will still highlight any specific issues.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

Audit Overview

Audit Overview				
	Management	Worker Representatives		
Audit attendance	Senior management	Worker Committee representatives	Union representatives There is no Union in the Factory.	
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why <i>(only complete if no worker reps present)</i>	Worker representative has attended the opening meeting.			
E: If Union Representatives were not present please explain reasons why: <i>(only complete if no union reps present)</i>	Facility has no worker union in their system			

<p>F: Site description: <i>(Include size, location and age of site. Also include structure and number of buildings)</i></p>	<p>The audited facility “ MADHURA GARMENTS ” 37 R.V.E Nagar South,Kangayam Main Road, Tirupur-641 604.</p> <p>The total area of the Facility is 10000 Sq Ft and the Factory Production area is 8000 Sq. Ft, Production activities are carried out in one RCC building.</p> <table border="1" data-bbox="636 488 1503 582"> <tr> <td>Floor</td> <td>Production</td> <td>Sq.Ft</td> </tr> <tr> <td>Ground</td> <td>Cutting, Ironing,Packing</td> <td>4000</td> </tr> <tr> <td>Floor</td> <td>Sewing, Checking</td> <td>4000</td> </tr> </table> <p>At present 40 employees are employed (Male: 21, Female: 19)</p> <p>Working Hours - 08.30 hrs to 17:30 hrs Lunch Break - 12.30 hrs to 13.30hrs Time Break - 10.30 hrs to 10.45 hrs 15.30 hrs to 15.45 hrs Weekly off - Sunday</p> <p>Employees work for 6 days a week in single shifts and Sunday is a weekly off. Employee wages are calculated on monthly basis and issued on before 07th of every month.</p> <p>For below, please add any extra rows if appropriate.</p>	Floor	Production	Sq.Ft	Ground	Cutting, Ironing,Packing	4000	Floor	Sewing, Checking	4000
Floor	Production	Sq.Ft								
Ground	Cutting, Ironing,Packing	4000								
Floor	Sewing, Checking	4000								
<p>G: Site function:</p>	<p><input type="checkbox"/> Agent <input checked="" type="checkbox"/> Factory Processing/Manufacturer <input type="checkbox"/> Finished Product Supplier <input type="checkbox"/> Grower <input type="checkbox"/> Homeworker <input type="checkbox"/> Labour Provider <input type="checkbox"/> Pack House <input type="checkbox"/> Primary Producer <input type="checkbox"/> Service Provider <input type="checkbox"/> Sub-Contractor</p>									
<p>H: Month(s) of peak season: <i>(if applicable)</i></p>	<p>There is no peak season. As per management, business is consistent throughout the year.</p>									
<p>I: Process overview: <i>(Include products being produced, main operations, number of production lines, main equipment used)</i></p>										
<p>Include Products being produced:</p> <ul style="list-style-type: none"> Knitted garments for men’s, women’s, boys, girls and kids. <p>Main Operation:-</p> <ul style="list-style-type: none"> Cutting, Sewing, Buttoning, Trimming, Checking, Ironing and Packing. <p>No. Of production lines:</p> <ul style="list-style-type: none"> 3 lines <p>The factory has following machines. Sewing machine Over Lock mc : 22 Flat Lock mc : 10 Single needle Lock stitch : 15</p>										

Rib Cutting : 01
 Band Knife : 01
 Vacuum Iron : 04
 Stain Removing : 01

The major clients of this factory are LPP- POLAND , RONALD- SWEDAN, EGL - UK Etc.

J: Attitude of workers:
(Include their attitude to management, workplace and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

10 employees were selected for interviews. They were found to be happy with the management behaviour. No negative information was received.

K: Attitude of workers committee/union reps:
(Include their attitude to management, workplace and the interview process. Both positive and negative information should be included) Note: Do not document any information that could put workers at risk

Out of selected 10 workers, 03 employees were from various committees. They were also found to be happy with the management behaviour and said that there is regular practise of conducting committee meetings and they also participate effectively.

L: Attitude of managers:
(Include attitude to audit, and audit process. Both positive and negative information should be included)

The factory management showed a positive attitude to this audit during the whole process. All documentation requested for review was provided timely. At the end of the audit discussed scope for improvement were accepted by the facility. The facility management showed strong commitment for continual improvement. After factory tour it was noted that the management is very committed towards implementation of health and safety requirements as well as in the documentations requirements.

Key Information

Key Information <i>(click on the key information title to go to appropriate section of the report)</i>		
A: Do all workers (including migrant workers) have contracts of employment/employment agreements? (Go to clause 8 – Regular Employment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
B: Are maximum standard/contracted working hours clearly defined in contract/employment agreements? (Go to clause 8 – Regular Employment)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
C: Were appropriate records available to verify hours of work and wages? (Go to clause 5 – Living Wage)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
D: Were any inconsistencies found? (if yes describe nature) (Go to Wages Table)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Poor record keeping <input type="checkbox"/> Isolated incident <input type="checkbox"/> Repeated occurrence
E: For the lowest paid production workers, are wages paid for standard/contracted hours (excluding	Wages found:	Please indicate the breakdown of workforce according to earnings:

overtime) below or above the legal minimum? (Go to clause 5 – Living Wage)	<input type="checkbox"/> Below legal min <input checked="" type="checkbox"/> Meet <input type="checkbox"/> Above	100% of workforce earning min wage
F: % of piece rate workers: (if applicable)	NA	
G: Do the standard/contracted hours stated in a contract/employment agreement exceed the law or 48 hours per week? (Go to clause 6 – Working hours)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
H: If yes, what are the standard/contracted hours per week as stated in the contract/employment agreement? (Go to clause 6 – Working hours)	08hrs/day 48hrs/week	Approx. <u>100</u> % of All workers on these contracted hours
I: Combined hours (standard/contracted plus overtime = total hours) over 60 per week found? (Go to Working Hours Analysis)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
J: Are workers provided with 1 day off in every 7-day-period, or 2 in 14-day-period (where the law allows)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If 'No', please explain:	
K: Are the correct legal overtime premiums paid? (Go to Wages Table)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A – there is no legal requirement to OT premium	
L: Please state what actual OT is paid. (As a percentage of the workers standard rate) (Go to Working Hours Analysis)	<i>Please give details of overtime premium as a % of standard wages:</i> <input type="checkbox"/> 0% <input type="checkbox"/> 1% – 115% <input type="checkbox"/> 116% – 124% <input type="checkbox"/> 125% – 199% <input checked="" type="checkbox"/> 200%+ Please give details: No overtime was performed by the facility for the sampled months. However, factory has a policy to compensate all overtime hours at 200% of regular rate of wages.	
M: Is there any night production work at the site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
N: % of workers living in site provided accommodation (if applicable):	Not applicable	
O: Age of youngest worker found: (Go to clause 4 – Child labour)	20 Years, Name : Ms.Parimala.V	
P: Workers under 18 subject to hazardous work assignments? (Go to clause 3 – Health and Safety)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
% of under 18's at this site (of total workers)	0 %	
Q: What form of worker representation/union is there	<input type="checkbox"/> Union (name)	

<p>on site? (Go to clause 2 – Freedom of Association)</p>	<input checked="" type="checkbox"/> Worker Committee <input type="checkbox"/> Other (specify) <input type="checkbox"/> None
<p>R: Is it a legal requirement to have a union? (Go to clause 2 – Freedom of Association)</p>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<p>S: Is It a legal requirement to have a workers committee? (Go to clause 2 – Freedom of Association)</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Factory has formed a Works Committee by the procedure of Election which was held on 29 Jan 2016 as required by law and conducts meeting once in Two month to discuss all issues collectively and the last meeting was held on 28 Jun 2016.</p> <p>Factory has provided Suggestion Box which is opened regularly once in a Week in the presence of Management and Worker Representative is in the facility at outside the production floor near Toilet area through which workers can give their suggestion / complaints if any. The last check of the Suggestion Box was done on 28 Jun 2016. Workers are also free to approach the management and the Proprietor directly for any grievances as informed during interview.</p>
<p>T: Is there any other form of effective worker/management communication channel? <i>(Other than union/worker committee)</i> (Go to clause 2 – Freedom of Association)</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Factory has formed a Works Committee by the procedure of Election as required by law and conducts meeting once in two month to discuss all issues collectively. Last Works Committee was conducted on 28 Jun 2016.</p>
<p>U: Are there any External Processes? (Go to clause 8A – Sub-contracting and Home working)</p>	<input type="checkbox"/> Sub-Contracting <input type="checkbox"/> Homeworking <input type="checkbox"/> Other External Process <input checked="" type="checkbox"/> No external processes

Management Systems

Management Systems:	
A: Nationality of Management	Indian
B: Gender breakdown of Management + Supervisors <i>(Include as one combined group)</i>	Male: 54% Female: 46%
C: Majority nationality of workers	100 % Indian
D: Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover)	5%
E: Were accurate records shown at the first request?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
F: If No , why not?	
G: In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Please describe:

H: Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: The policies exist for forced labour, child labour, discrimination, harassment and abuse.
I: If Yes , is there evidence (an indication) of effective implementation? Please give details.	Through documents reviewed, the facility have maintained the policies and procedures of; <ol style="list-style-type: none"> 1. Anti harassment policies 2. Child labour 3. Forced labour 4. Discrimination Through the interview the workers stated that there is no forced labour, no child labour and no harassment has been take place in the company.
J: Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Standard on forced labour and no harassment were communicated to workers through posters, annual training and committee meetings.
K: If Yes , is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	Training records: <ul style="list-style-type: none"> • Induction training record for new employees • Committee meetings
L: Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3 rd party?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: There are suggestion box for reporting grievances.
M: If Yes , are workers aware of these channels? Please give details.	Yes, The factory has provided 2 suggestion box in the facility at outside the production floor area near by Toilet through which workers can give their suggestion / complaints if any. Workers are also free to approach the management and the Proprietor directly for any grievances which was informed during interview
N: Have health and safety risks been identified e.g. through internal audits, formal risk analysis process, worker involvement etc.?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: They are identified through Health & Safety Committee.
O: If Yes , has effective action been taken to reduce or eliminate these risks?	The company has identified the risk and the action has been taken, such as giving training for machine operators, health & safety practises and the each Risk Assessment related to particular department is displayed in the respective department for the awareness of the employees.
P: Are accidents recorded?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Managements keeps record for accident and get approved from appropriate government, Mr.Nagarajan.S. is in-charge of the same.
Q: Has the auditor made a simple calculation to compare capacity with workers' work load in order to identify possible unrecorded work hours?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: The facility is transparent with the auditor, however the facility is not working any overtime hours.

R: Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	Yes
S; Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits). Please detail (Number and date).	Nil
T: Is there a Human Resources manager/department? If Yes, please detail.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Please describe: Ms.Divya HR Executive.

Worker Analysis

Worker Analysis								
	Local			Migrant			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – Male	21	0	0	0	0	0	0	21
Worker numbers –female	19	0	0	0	0	0	0	19
Total	40	0	0	0	0	0	0	40
Number of Workers interviewed	10	0	0	0	0	0	0	10

Contractors:

(Individuals supplying workers to site with the workers paid by contractors, not by site)

A: Any contractors on site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: If Yes , how many workers supplied by contractors	NA
C: Are all contractor workers paid according to law?	<input type="checkbox"/> Yes <input type="checkbox"/> No NA
If Yes , Please give evidence for contractor workers being paid according to law:	NA

Migrant Workers: Nil

(Please see SMETA Best Practice Guidance and Measurement Criteria for definitions of migrant workers)

D: Originating Locations/Countries:	-
E: Type of work undertaken by migrant workers :	-
F: Were migrant workers recruited through an agency? If yes, please give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No Please describe:
If Yes , is there a contract with the agency? Provide details of agencies and contractual arrangements including any fees lodged during the recruitment process.	-
G: Does the site have a system for checking labour standards of agencies? If yes, please give details.	<input type="checkbox"/> Yes <input type="checkbox"/> No Please describe:
H: Percentage of migrant workers in company provided accommodation:	-

Audit Results by Clause

0: Managements system and Code Implementation (click here to return to NC Table)
0.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code. 0.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code. 0.3 Suppliers are expected to communicate this Code to all employees. 0.4 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

Current Systems and Evidence Examined <i>To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.</i>
<p>Current systems: Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):</p> <p>Documents checked & comments: ETI/SEDEX CODE OF CONDUCT</p> <p>Description of current status: Factory has appointed an Mr. Nagarajan.S (SMR) is responsible for implementing and monitoring compliance as per law and other code of conducts.</p>



Non-compliance: None

1. Description of non-compliance:

NC against ETI/Additional Elements NC against Local Law

No Non-compliances were noted.

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:
(where relevant please add photo numbers)

2. Description of non-compliance:

NC against ETI/Additional Elements NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Observation: none

Description of observation:

Local law or ETI requirement:

Comments:

Objective evidence observed:

Good Examples observed: None

Description of Good Example (GE):

Objective evidence observed:

1: Employment is Freely Chosen

[\(Click here to return to NC-table\)](#)

ETI

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge “deposits” or their identity papers with their employer and are free to leave their employer after reasonable notice.

Current Systems and Evidence Examined

To complete ‘current systems’ Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Documents checked & comments:

- Documented policy.
- Personal Files.

Description of current status:

- a) Through interview with the employees and review of document it was noted that, workers are recruited through a personal interview and the job application clearly indicated that each applicant is seeking job voluntarily.
- b) Employees are free to leave at the end of their shift and there is no compulsion to work overtime.
- c) All overtime is voluntary and it is displayed on the working floor.
- d) There is no presence of any prison labour at the work place.
- e) Factory had documented policy against forced, bonded or involuntary labour.
- f) Workers are not required to lodge any deposits, identity papers with the factory before or after joining the services

Non-compliance: None

1. Description of non-compliance:

NC against ETI NC against Local Law:

Local law and/or ETI requirement

Recommended corrective action:

2. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

Observation: None

Observation: None	
Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:

Good Examples observed: None

Good Examples observed: None	
Description of Good Example (GE):	Objective evidence observed:

2: Freedom of Association and Right to Collective Bargaining are Respected [\(Click here to return to NC-table\)](#)
[\(Click here to return to Key Information\)](#)

ETI

- 2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.
- 2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.
- 2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.
- 2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Documents checked & comments: Described Below.

- Works committee minutes of meeting/ records
- Policy on freedom of association and collective bargaining

Description of current status:

- a) Workers without distinction, have the right to join any union or form trade unions of their own choosing and to bargain collectively.
- b) Factory had provided confidential suggestion box for the workers in which workers can put their suggestions and complaints without any fear.
- c) There was no evidence of suppression of workers' rights.
- d) No union exist in the factory.
- e) The factory has a policy of supporting and protecting freedom of association of their employees.

A works committee represented by workers from all departments is functional in the factory. Committee representatives have nominated by the employees. The committee meets once in two months. Workers can voice their grievances through the committee meetings. Last works committee was conducted on 28 Jun 2016.

There are also other forms of committee like Health & Safety committee and last meeting was held on 30 May 2016, Anti Sexual Harassment committee and the last meeting held on 25 May 2016,

Non-compliance: None

1. Description of non-compliance:

- NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

<p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	
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Observation:	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

<p>A: Name of union and union representative, if applicable:</p>	<p>There is no union in the factory</p>	<p>Is there evidence of free elections? <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>
<p>B: If no union what is parallel means of consultation with workers e.g. worker committees?</p>	<p>a) Factory has provided suggestion box in the facility through which workers can give their suggestion / complaints if any.</p> <p>b) Workers are free to approach the management directly for any grievances.</p> <p>A works committee represented by workers from all departments is functional in factory. These representatives of committee have nominated by employees and this committee meets once in two month. Workers can voice their grievances through the committee, if any. Last works committee was conducted on 28 Jun 2016.</p>	<p>Is there evidence of free elections? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>
<p>C: Were worker representatives/union representatives interviewed</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, please state how many: 03 representatives from various committee were interviewed.</p>	
<p>D: State any evidence that union/workers committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.</p>	<p>YES (Last works committee was conducted on 28 Jun 2016.)</p>	
<p>E: Are any workers covered by Collective Bargaining Agreement (CBA)</p>	<p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	

F: If Yes what percentage by trade Union/worker representation	____% workers covered by Union CBA	____% workers covered by worker rep CBA
G: If Yes , does the Collective Bargaining Agreement (CBA) include rates of pay	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Good Examples observed: None	
Description of Good Example (GE):	Objective evidence observed:

3: Working Conditions are Safe and Hygienic

[\(Click here to return to NC-table\)](#)

[\(Click here to return to Key Information\)](#)

ETI

- 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.
- 3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.
- 3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.
- 3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.
- 3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Documents checked & comments: Described Below.

- Factory License: **TP 17428 Upto 31/12/2020.**
- Building Plan Approval No: **NI MU.079/2016; 12/01/2016.**
- Stability certificate: **Dated 13 Jan 2016;** By Er.David Anandraj.S.L (Chartered Engineer; H1/23208/2014-2016)
- Fire license: **Dated 08 Jan 2016; 28 / 2016**
- H&S policy and committee: **Last held on 30 May 2016**
- List of first aid box and First Aiders: **First Aid Box-2 ; First Aiders-03 Training held on 10 /01/ 2016**
- Fire extinguishers, Fire Fighters, Fire Alarm: **Fire Extinguishers- 10 ; Fire Fighters- 15 ; Fire Alarm points- 02;**
- Fire mock drill record: **Last held on 20 May 2016**
- Drinking water portability test certificate: **DW/049/2016-2017 Dated 25 May 2016**

Description of current status:

- a) All electrical points were properly insulated.
- b) Workplace environment appeared to be clean and safe.
- c) Factory has properly trained employees by the organisation. (Through workers interview)
- d) Factory has provided 02 first aid boxes and 03 first aid trained employee trained on 10 Jan 2015 by St John's Ambulance Association.
- e) Factory has provided clean/purified drinking water points at 02 places for their employees free of cost.
- f) Factory has provided for male 4 toilets and 4 toilets for female employees.
- g) Factory had provided 10 fire extinguishers throughout the facility and trained 15 fire fighters. Factory has also provided 02 Fire Alarm points in the facility with a siren at a point audible through out the factory area.
- h) Personal protective equipment's were provided to all the concern employees free of cost and proper training of PPE is given to all concerned employees. (Through Workers interview and Management interview).
- i) Factory has conducted fire fighting and Fire Evacuation Drill. The last fire fighting training was conducted in the factory on 20 May 2016.

Non-compliance: (noted below)

<p>1. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law</p> <p>Description of observation: Based on facility tour noted that 30% of the sewing operators tampered their eye protectors in over lock machines while they working,</p> <p>Local Law: In accordance with Factories Act 1948, Chapter I, Section – 7A (1), 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</p> <p>ETI requirement: 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p> <p>Recommended corrective action: It is recommended to the facility to ensure that all the machine operators are used the personal protective guards effectively.</p> <p>2. Description of non-compliance: <input checked="" type="checkbox"/> NC against ETI <input checked="" type="checkbox"/> NC against Local Law</p> <p>Description of observation: Based on facility tour, it was noted that 25% of the production employees were not appropriately (Face mask) using their PPE’s while on work</p> <p>Local Law: In accordance with Factories Act 1948, Chapter I, Section 7 (A) (1), every occupier shall ensure, so far as is reasonably practicable, the health, safety and welfare of all workers while they at the work in the factory</p> <p>ETI requirement: 3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.</p> <p>Recommended corrective action: It is recommended to the facility to provide appropriate training to their employees and ensure that they were appropriately using their PPE’s while on work.</p>	<p>Objective evidence observed: During the factory tour <i>(where relevant please add photo numbers)</i></p>
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Observation: None	
<p>Local law or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed:</p>

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Good Examples observed: None	
Description of Good Example (GE):	Objective Evidence Observed:



4: Child Labour Shall Not Be Used

[\(Click here to return to NC-table\)](#)

[\(Click here to return to Key Information\)](#)

ETI

- 4.1 There shall be no new recruitment of child labour.
- 4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.
- 4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.
- 4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Documents checked & comments:

- Recruitment policy.
- Personal files verification of sampled workers.

Description of current status:

1. The factory has established following system to ensure no recruitment of child labour:
 - a) Factory gets school leaving certificate or any age proof certificate issued by the government at the time of recruitment from all the employees.
2. From tour of the factory, physical appearance of employees and interviews with employees, there was no evidence of child labour or young labour employed by the factory.
3. 10 Files were reviewed for age proof and found all sampled files maintained with valid age proof documents.

Non-compliance: None

1. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

2. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

Observation: None	
Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:

Good Examples observed: None	
Description of Good Example (GE):	Objective Evidence Observed:

5: Living Wages are Paid [\(Click here to return to NC-table\)](#)
[\(Click here to return to Key information\)](#)

ETI

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.
 5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.
 5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Documents checked & comments:

- Pay roll record
- ESI and PF Deposited Challans
- Employment order verification of sampled workers
- Wage slip
- Compensation policy
- List of holidays
- Leave records

Description of current status:

- a) Factory has covered all eligible employees under social benefits such as Employee State Insurance benefits to all employees under the ESI Code No. 56001024870000106.
- b) Factory has covered all eligible employees under social benefits such as Employee Provident Fund benefits to all employees under the EPF Code No. TN/CBE/0078198 .
- c) No deductions are made from the wages of the workers as a disciplinary measure.
- d) Wages were paid in time, on or before 07th of every month.
- e) 10 records checked for 2 periods of work along the year DEC-2015 and MAY-2016 and found wages paid as per law.

Non-compliance: None

1. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

<p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	
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Observation: None	
<p>Description of observation:</p> <p>Local law or ETI requirement:</p> <p>Comments:</p>	Objective evidence observed:

Good Examples observed: None	
Description of Good Example (GE): None	Objective Evidence Observed:

Wages analysis: (Click here to return to Key Information)	
A: Sample Size Checked <i>(State number of worker records checked and from which weeks/months – should be current, peak and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	10 Nos DEC -2015 10 Nos MAY - 2016
B: Are there different legal minimum wage grades? If Yes, please specify all.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Legal Minimum Unskilled: 4859 INR/PM Semi-Skilled: 5309 INR/PM Skilled: 7109 INR/PM
C: If there are different legal minimum grades, are all workers graded correctly?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A If No , please give details:
D: What deductions are required by law e.g. social insurance? Please state all types:	Employee's State Insurance and Employees provident fund has been deducted as required by Law and the prescribed amount deducted from the employees' wages.

E: Have all of these deductions been made? Please list all deductions that have/have not been made.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If Yes , Please list all deductions that have been made: <ul style="list-style-type: none"> • Employee state insurance • Employees Provident fund
		If No , please give details on any deductions which have not been made:
F: Industry norm for this region: (please include time period e.g. hour/week/month)		

Wages table (Click here to return to Key information)			
Worker Type	Process Operator (Lowest paid)	Process Operator (Average paid)	Process Operator (Highest paid)
<i>Select from individual worker records one worker from, lowest, average and highest wages and populate the boxes. Ensure comparison is made for same pay period and only uses full-time workers. See SMETA Best Practice Guidance and Measurement Criteria for completing this:</i>			
A: Pay period: (State month selected)	MAY-2016	MAY – 2016	MAY – 2016
B: Anonymous Employee Reference/Dept.	A(Helper)	B(checker)	C(Tailor)
C: Employee Gender	FEMALE	FEMALE	MALE
D: Contracted/Standard working hours: (excluding OT – please include time period e.g. hour/week/month)	8 HRS PER DAY	8 HRS PER DAY	8 HRS PER DAY
E: Contracted /Standard work pay rate: (excluding OT – please include time period e.g. hour/week/month)	INR 4706 / Month	INR 5304 / Month	INR 7098 / Month
F: Standard day overtime – hours: (please include time period e.g. hour/week/month)	Nil	Nil	Nil
G: Standard day overtime – wage: (please include time period e.g. hour/week/month)	Nil	Nil	Nil
H: Rest day overtime – hours: (please include time period e.g. hour/week/month)	0 hours worked	0 hours worked	0 hours worked
I: Rest day overtime – wage: (please include time period e.g. hour/week/month)	No rest day work observed	No rest day work observed	No rest day work observed

hour/week/month)			
J: Statutory Holiday overtime – hours: <i>(please include time period e.g. hour/week/month)</i>	0 hours worked	0 hours worked	0 hours worked
K: Statutory holiday OT – wages: <i>(please include time period e.g. hour/week/month)</i>	0 hours worked	0 hours worked	0 hours worked
L: Total overtime hours: <i>(please include time period e.g. hour/week/month)</i>	0 hours worked	0 hours worked	0 hours worked
M: Incentives/Bonus/ Allowances etc.: <i>(please include time period e.g. hour/week/month)</i>	0	0	0
N: Gross wages: <i>(please include time period e.g. hour/week/month)</i>	INR 1991 / Month for 11 Present Days	INR 2040 / Month for 10 Present Days	INR 3549 / Month for 13 Present Days
O: Social insurance and other deductions; please list which and amount.	INR 274 / Month	INR 280 / Month	INR 488 / Month
P: Actual wage paid after deduction: <i>(please include time period e.g. hour/week/month)</i>	INR 1717 / Month	INR 1760/ Month	INR 3061/ Month
Comments: <i>(Please state here any specific reasons/circumstances that explain the lowest and highest gross wages)</i>			
The applicable Minimum Wages are paid to the workers.			
Q: Is there a defined living wage: <i>This is <u>not normally</u> minimum legal wage. If answered Yes please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
R: Are workers paid in a timely manner in line with local law?	<input checked="" type="checkbox"/> Yes All workers are paid on every month before 7 th day. <input type="checkbox"/> No		
S: Is there evidence that equal rates are being paid for equal work:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Details: It was noted during interview with employees that all employees paid as per their skills.		
T: How are workers paid:	<input checked="" type="checkbox"/> Cash <input type="checkbox"/> Cheque		

	<input type="checkbox"/> Bank Transfer <input type="checkbox"/> Other If other explain:
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6: Working Hours are not Excessive

[\(Click here to return to NC-table\)](#)

[\(Click here to return to Key Information\)](#)

ETI

6.1 Working hours must comply with national laws, collective agreements, and the provisions of 6.2 to 6.6 below, whichever affords the greater protection for workers. Sub-clauses 6.2 to 6.6 are based on international labour standards.

6.2 Working hours, excluding overtime, shall be defined by contract, and shall not exceed 48 hours per week.

6.3 All overtime shall be voluntary. Overtime shall be used responsibly, taking into account all the following: the extent, frequency and hours worked by individual workers and the workforce as a whole. It shall not be used to replace regular employment. Overtime shall always be compensated at a premium rate, which is recommended to be not less than 125% of the regular rate of pay.

6.4 The total hours worked in any 7 day period shall not exceed 60 hours, except where covered by clause 6.5 below.

6.5 Working hours may exceed 60 hours in any 7 day period only in exceptional circumstances where **all** of the following are met:

- this is allowed by national law;
- this is allowed by a collective agreement freely negotiated with a workers’ organisation representing a significant portion of the workforce;
- appropriate safeguards are taken to protect the workers’ health and safety; and
- The employer can demonstrate that exceptional circumstances apply such as unexpected production peaks, accidents or emergencies.

6.6 Workers shall be provided with at least one day off in every 7 day period or, where allowed by national law, 2 days off in every 14 day period.

Current Systems and Evidence Examined

To complete ‘current systems’ Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Documents checked & comments: Described Below.

- Working hours policy
- Overtime policy
- Manual Attendance Form 25B
- Production records
- Compensation policy
- List of holidays (form 5)
- Leave records
- Broken needle Records
- Gate Entry Records.

Description of current status:

- Factory working hour’s policy was explained to all employees.
- The factory maintains Biometric attendance system for all employees in the Form 25B prescribed format.
- The factory has displayed the working hour’s policy at main notice board.

- During the documents review [10 Time records were checked] and workers interview, it was found that factory is not doing any overtime. As per policy the overtime was voluntary.

Non-compliance: None

1. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

2. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

Observation: None

Description of observation:

Local law or ETI requirement:

Comments:

Objective evidence observed:

Good Examples observed: None

Description of Good Example (GE):

Objective Evidence Observed:

Working hours analysis

Please include time period e.g. hour/week/month

[\(Go back to Key information\)](#)

Systems & Processes		
A: What timekeeping systems are used: time card etc.	Describe: <i>Biometric Attendance system</i>	
B: Sample Size Checked <i>(State number of worker records checked and from which weeks/months and type – should be current, peak and random/low: See SMETA Best Practice Guidance and Measurement Criteria)</i>	10 - DEC -2015 10 - MAY - 2016	
C: Do ALL workers have contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>If NO, state which type of workers do NOT have contracts/employment agreements:</i>
D: Are standard/contracted working hours defined in all contracts/employment agreements?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>If NO, please state which type of workers do NOT have standard hours defined in contracts/employment agreements.</i>
E: Are there any other types of contracts/employment agreements used?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<i>If YES, Please complete as appropriate:</i>
	<input type="checkbox"/> 0 hrs	<input type="checkbox"/> Part time
	<input type="checkbox"/> Variable hrs	<input type="checkbox"/> Other
	<i>If "Other", Please define:</i>	
Standard/Contracted Hours worked		
F: Do standard/contracted standard hours ever exceed the law or 48 hours per week?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<i>If YES give details and comparison (local law/48 hrs week)</i>
G: What are the actual standard/contracted hours worked in sample (State per week/month)	Highest hours:	<i>48 hrs / Week</i>
	Lowest hours:	<i>48 hrs / Week</i>
H: Any local waivers/local law or permissions which allow averaging/annualised hours for this site?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<i>If YES, Please give details</i>
Overtime Hours (N/A)		
I: Actual overtime hours worked in sample (State per day/week/month)	Highest OT hours: Nil	Nil
	Lowest OT hours:	Nil

	Nil	
J: Range of overtime hours over all workers/or as large a sample as possible. (State per week/month and details)	NA	
K: Approximate percentage of workers on highest overtime hours	NA	
L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	<i>Please detail evidence e.g. Wording of contract/employment agreement/handbook/worker interviews/refusal arrangements:</i>
Overtime Premiums		
M: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>Please give details of normal day overtime premium as a % of standard wages:</i>
	<input type="checkbox"/> 0% <input type="checkbox"/> 1 – 115% <input type="checkbox"/> 116 – 124% <input type="checkbox"/> 125 – 149% <input type="checkbox"/> 150 – 199% <input checked="" type="checkbox"/> 200%+	
	Any other comments:	
N: ETI Code requires a prevailing standard to give greatest worker protection. If a site pays less than 125% OT premium <u>and</u> this is allowed under local law, are there other considerations? Please complete the boxes where relevant. Multi select is possible.	<input type="checkbox"/> No NA <input type="checkbox"/> Consolidated pay (May be standard wages above minimum legal wage, with no/low overtime premium) <input type="checkbox"/> Collective Bargaining agreements <input type="checkbox"/> Other	
	Please explain any checked boxes in N above e.g. detail of consolidated pay CBA or Other.	
Rest Days		
O: Are workers provided with 1 day off in every 7-day-period, or 2 in 14-day-period (where the law allows)?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<i>Maximum number of days worked without a day off (in sample):</i>
		Weekly off is Sunday.
Total Hours		
P: Range of total hours: (Quote highest and lowest please include time period e.g. hour/week/month)	Highest total hours	19*8= 152 + 00 hours OT =152 hours in the month of DEC 2015 07*8=56 + 00 hours OT =56 hours in the month of MAY 2016
	Lowest total hours	02*8= 16+ 00 hours OT = 16 hours in the month of DEC 2015 05*8= 40 + 00 hours OT = 40 hours in the month of MAY 2016

<p>R: If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. Multi select is possible.</p>	<input checked="" type="checkbox"/> Overtime is voluntary <input type="checkbox"/> Onsite Collective bargaining allows 60+ hours/week <input type="checkbox"/> Safeguards are in place to protect worker’s health and safety <input type="checkbox"/> Site can demonstrate exceptional circumstances <input type="checkbox"/> Other reasons
	<p>Please explain any checked boxes in R above</p>
	<p>Factory is having Overtime policy i.e. Overtime is Voluntary. Auditor has verified the overtime policy.</p>
<p>Comments: NA (please state here any specific reasons/circumstances that explain the highest working hours)</p>	
<p>Please add details of examples where the site has demonstrated “exceptional circumstances”.</p> <p>Please give details of any appropriate safeguards in place at the time of the 60+ hours working.</p> <p>Any other comments:</p>	

7: No Discrimination is Practiced
[\(Click here to return to NC-table\)](#)

ETI

7.1 There is no discrimination in hiring, compensation, access to training, promotion, termination or retirement based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Documents checked & comments:

- No discrimination policy
 Verification of sampled employee's personal files.

Description of current status:

- It was noted from interview with the employees and review of records that, there is no discrimination in hiring, compensation, promotion and termination based on race, caste, national origin, religion, age, disability, gender, marital status and sexual orientation.
- Factory had displayed anti-discrimination policy on the notice board and well explained to all employees.
- All employees were given fair and equal opportunity for training and overtime work in their respective departments.

Non-compliance: None

1. Description of non-compliance:

- NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

2. Description of non-compliance:

- NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

Observation: None	
Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:

Good Examples observed: None	
Description of Good Example (GE):	Objective Evidence Observed:

8: Regular Employment Is Provided

[\(Click here to return to NC-table\)](#)

[\(Click here to return to Key Information\)](#)

ETI

8.1 To every extent possible work performed must be on the basis of recognised employment relationship established through national law and practice.

8.2 Obligations to employees under labour or social security laws and regulations arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Documents checked & comments:

Workers' Pay records & Workers Interviews.

Description of current status:

Through an interaction with the management and employees' interview, it was noted that there is no temporary workers employed in the factory.

Non-compliance: None

1. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

2. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

Observation: None	
Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:

Good Examples observed: None	
Description of Good Example (GE): None	Objective Evidence Observed:

8A: Sub-Contracting and Homeworking [\(Click here to return to NC-table\)](#)
[\(Click here to return to Key Information\)](#)

8A.1. There should be no sub-contracting unless previously agreed with the main client.
 8A.2. Systems and processes should be in place to manage sub-contracting, homeworking and external processing.
Note to auditor on homeworking:
 Report on whether it is direct or via agents. How many workers, relationship with site and what control systems are in place.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): NA

If any processes are sub-contracted – please populate below boxes

<i>Process Subcontracted</i>	<i>Process 1</i>	<i>Process 2</i>
<i>Name of factory</i>		
<i>Address</i>		
<i>Process Subcontracted</i>	<i>Process 3</i>	<i>Process 4</i>
<i>Name of factory</i>		
<i>Address</i>		
<i>Process Subcontracted</i>	<i>Process 5</i>	<i>Process 6</i>
<i>Name of factory</i>		
<i>Address</i>		

Non-compliance: None	
<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI /Additional Elements requirement:</p> <p>Recommended corrective action:</p> <p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local Law</p> <p>Local law and/or ETI requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p>

Observation: None	
<p>Description of observation:</p> <p>Local law or ETI/Additional elements requirement:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

Good Examples observed: None	
<p>Description of Good Example (GE):</p>	<p>Objective Evidence Observed:</p>

Summary of sub-contracting – if applicable (Not Applicable)	
A: If sub-contractors are used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , summarise details:
B: Number of sub-contractors/agents used	0
C: Is there a site policy on sub-contracting?	<input type="checkbox"/> Yes <input type="checkbox"/> No NA If Yes , summarise details:
D: What checks are in place to ensure no child labour is being used and work is safe?	NA
E: What processes are sub-contracted?	NA

Summary of homeworking – if applicable			
F: If homeworking is being used, is there evidence this has been agreed with the main client?	<input type="checkbox"/> Yes <input type="checkbox"/> No If Yes , summarise details:		
G: Number of homeworkers	Male:	Female:	Total:
H: Are homeworkers employed direct or through agents?	<input type="checkbox"/> Directly <input type="checkbox"/> Through Agents		
I: If through agents, number of agents			
J: Is there a site policy on homeworking?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
K: How does site ensure worker hours and pay meet local laws for homeworkers?			
L: What processes are carried out by homeworkers?			
M: Are written agreements in place for homeworkers that include regular employment?	<input type="checkbox"/> Yes <input type="checkbox"/> No		
N: Are full records available at the site?	<input type="checkbox"/> Yes <input type="checkbox"/> No		

9: No Harsh or Inhumane Treatment is Allowed

[\(Click here to return to NC-table\)](#)

ETI

9.1 Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation shall be prohibited.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Documents checked & comments:

- Anti-harassment policy
- Sexual harassment prevention committee meeting records

Description of current status:

- a) From interview with the employees, there was no evidence of harsh or inhumane treatment of employees.
- b) All workers are treated with respect and dignity.
- c) Factory's disciplinary policies were explained to all employees and all employees were well aware about their rights of grievance readdresses

Factory conducts Sexual harassment prevention committee meeting at regular intervals so as to check on any such treatment. Last Sexual harassment prevention committee was conducted on 20 MAY 2016.

Non-compliance: NONE

1. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

2. Description of non-compliance:

NC against ETI NC against Local Law

Local law and/or ETI requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

Observation:	
Description of observation: Local law or ETI requirement: Comments:	Objective evidence observed:

Good Examples observed: None	
Description of Good Example (GE):	Objective Evidence Observed:

10. Other Issue areas: 10 A: Entitlement to Work and Immigration

[\(Click here to return to NC-table\)](#)

Additional Elements

- 10A1 Only workers with a legal right to work shall be employed or used by the supplier.
- 10A2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.
- 10A3 Employment agencies must only supply workers registered with them.
- 10A4 The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Auditor has verified 10 personal files and workers interview and found that the factory did not employ any foreign nationals.

Description of current status:

Factory did not employ any foreign nationals.

Non-compliance: None

1. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local Law

Local law and/or ETI /Additional Elements requirement:

Recommended corrective action:

2. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local

Local law and/or ETI/Additional Elements requirement:

Recommended corrective action:

Objective evidence observed:

(where relevant please add photo numbers)

Observation:	
Description of observation: Local law or ETI/Additional Elements requirement: Comments:	Objective evidence observed:

Good examples observed: None	
Description of Good Example (GE):	Objective Evidence Observed:

10. Other issue areas 10 B 2: Environment 2-pillar

[\(Click here to return to NC-table\)](#)

To be completed for a 2-Pillar SMETA Audit, and remove the following page which is 10B4 environment 4 pillar

10B2. 1 Suppliers must comply with the requirements of local and international laws and regulations including having necessary permits.
 10B2. 2 The supplier should be aware of and comply with their end clients' environmental requirements.
 Note for auditors and readers, This is not a full environmental assessment but a check on basic systems and management approach.

Current Systems and Evidence Examined

To complete 'current systems' Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):

Documents checked & comments: Described Below.

- Air quality and Noise level test certificates

Description of current status:

1. The factory provided Environment assessment documents for auditors review.
2. The factory has also carried out Noise Monitoring Test on 27/11/2016 for all the sections found within the limit parameters. Test report No : MKES/368/INLS/2015-2016
3. Pollution certificate Air consent Order No :150822404487 Dt 07/11/2015
4. Pollution certificate Water consent Order No :150812404487 Dt 07/11/2015

Mr. Nagarajan.S is responsible for continuous improvements in their environmental performance.

Non-compliance:

1. Description of non-compliance:

- NC against ETI/Additional Elements NC against Local Law

Description of observation:

Local Law :

Recommended corrective action:

Objective evidence

observed: During the document verification

(where relevant please add photo numbers)

Observation: None

Description of observation:

Objective evidence observed:

<p>Local law or ETI/additional elements requirement:</p> <p>Comments:</p>	
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Good examples observed: None	
<p>Description of Good Example (GE):</p>	<p>Objective Evidence Observed:</p>

10. Other issue areas 10B4: Environment 4–Pillar

[\(Click here to return to NC–table\)](#)

To be completed for a 4–Pillar SMETA Audit and remove the previous page which is 10B2 environment 2 pillar

B.4. Compliance Requirements

10B4.1 Suppliers as a minimum must meet the requirements of local and national laws related to environmental standards.

10B4.2. Where it is a legal requirement, suppliers must be able to demonstrate that they have the relevant valid permits including for use and disposal of resources e.g. water, waste etc.

10B4.3. The supplier shall be aware of their end client’s environmental standards/code requirements and have a system in place to monitor their performance against these.

B4. Guidance for Observations

10B4.4. Suppliers should have completed the appropriate section of the SAQ and made it available to the auditor.

10B4.5. Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.

10B4.6. Suppliers shall be aware of the significant environmental impact of their site and its processes.

10B4.7. The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4–pillar audit report and audit checks for details).

10B4.8. Suppliers shall seek to make continuous improvements in their environmental performance.

10B4.9. Suppliers shall have available for review any environmental certifications or any environmental management systems documentation

10B4.10. Suppliers should have a nominated individual responsible for co–ordinating the site’s efforts to improve environmental performance.

10B.4.11. Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.

Note for auditors and readers. This environment section is intended to take not more than 0.25 auditor days. It is an assessment only and the main requirement is to establish whether a site is meeting applicable environmental laws and/or has any certifications or environmental management systems in place. Following this assessment the client/supplier may decide a full environmental audit is required (see also best practice guidance/environment and guidance for auditor)

Current Systems and Evidence Examined

To complete ‘current systems’ Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is/are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems: Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate): NA

Non–compliance:

<p>1. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local</p> <p>Local law and/or ETI/Additional Elements requirement:</p> <p>Recommended corrective action:</p> <p>2. Description of non-compliance: <input type="checkbox"/> NC against ETI/Additional Elements <input type="checkbox"/> NC against Local</p> <p>Local law and/or ETI/Additional elements requirement:</p> <p>Recommended corrective action:</p>	<p>Objective evidence observed: <i>(where relevant please add photo numbers)</i></p>
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Observation:	
<p>Description of observation:</p> <p>Local law or ETI/Additional elements requirements:</p> <p>Comments:</p>	<p>Objective evidence observed:</p>

Good examples observed:	
<p>Description of Good Example (GE):</p>	<p>Objective Evidence Observed:</p>

Environmental Analysis		
<i>(Site declaration only – this has not been verified by auditor. Please state units in all cases below.)</i>		
A; Responsible for Environmental issues (Name and Position):		
B: Does the site have a recognised environmental system certification such as ISO 14000 or equivalent? Please detail.	<input type="checkbox"/> Yes <input type="checkbox"/> No Details:	
C: Does the site have an Environmental policy? <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Does the site have a Biodiversity policy? <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
E: Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.? Please detail. <i>(For guidance, please see Measurement criteria)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No Details:	
F: Have all legally required permits been shown? Please detail.	<input type="checkbox"/> Yes <input type="checkbox"/> No Details:	
G: Is there a documentation process to record hazardous chemicals used in the manufacturing process?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Details:	
H: Is there a system for managing client’s requirements and legislation in the destination countries regarding environmental and chemical issues?	<input type="checkbox"/> Yes <input type="checkbox"/> No Details:	
Usage/Discharge analysis		
Criteria	Current year: Please state period: _____	Previous Year: Please state period: _____
Electricity Usage: <i>Kw/hrs</i>		
Renewable Energy Usage: <i>Kw/hrs</i>		
Gas Usage: <i>Kw/hrs</i>		
Has site completed any carbon Footprint Analysis?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
If Yes , please state result		
Water Sources: <i>Please list all sources e.g. lake, river, and</i>	<ul style="list-style-type: none"> • • 	<ul style="list-style-type: none"> • •

<i>local water authority.</i>	•	•
Water Volume Used: (m ³)		
Water Discharged: <i>Please list all receiving waters/recipients.</i>	• • •	• • •
Water Volume Discharged: (m ³)		
Water Volume Recycled: (m ³)		
Total waste Produced <i>(please state units)</i>		
Total hazardous waste Produced: <i>(please state units)</i>		
Waste to Recycling: <i>(please state units)</i>		
Waste to Landfill: <i>(please state units)</i>		
Total Product Produced <i>(please state units)</i>		

10C: Business Ethics – 4-Pillar Audit

[\(Click here to return to NC-table\)](#)

To be completed for a 4-Pillar SMETA Audit

10C. Guidance for “Observations”

- 10C.1. Suppliers should have completed the appropriate section of the SAQ and have made it available to the auditor.
- 10C.2. The supplier should have received and acknowledged– preferably in writing – the Business Ethics policy of the auditor/audit company.
- 10C.3. Suppliers shall seek to conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.
- 10C.4. Suppliers shall be aware of any applicable laws, their end client’s Business Ethics standards/code requirements and have a system in place to monitor their performance against these.
- 10C.5. Supplier should have a Business Ethics policy concerning bribery, corruption, or unethical Business Practice. This should be clearly communicated to all relevant parties.
- 10C.6. Suppliers should have a designated person responsible for implementing standards concerning Business Ethics
- 10C.7. Suppliers should have a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter
- 10C.8. Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.

Note for auditors and readers. This Business Ethics section is intended to take not more than 0.25 auditor days. It is an assessment not an audit and the main requirement is to gather information on the relevant Business Ethics issues in a supply chain. All findings will be recorded as observations not Non- Compliances and the data collected will allow the membership to define appropriate standards over time as part of a continuous review process.

Current Systems and Evidence Examined

To complete ‘current systems’ Auditors examine policies and written procedures in conjunction with relevant managers, to understand, and record what controls and processes are currently in place e.g. record what policies are in place, what relevant procedures are carried out, who is /are responsible for the management of this item of the code. Evidence checked should detail any documentary or verbal evidence shown to support the systems.

Current systems:

Evidence examined – to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate):NA

Observation

Description of observation:

Objective evidence observed:

Local law or ETI/Additional elements requirement:

Comments:

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Good examples observed:	
Description of Good Example (GE):	Objective Evidence Observed:

Worker Interview Summary

Worker Interview Summary	
A: Were workers aware of the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B: Were workers aware of the code?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C: Number of group interviews: <i>(Please specify number and size of groups. Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	2 group, consisting 10 Workers
D: Number of individual interviews <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	Male: 2 Female: 2
E: Total number of interviewed workers <i>(Please see SMETA Best Practice Guidance and Measurement Criteria)</i>	Male: 05 Female: 5
F: Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
G: In general, what was the attitude of the workers towards their workplace?	<input checked="" type="checkbox"/> Favourable <input type="checkbox"/> Non-favourable <input type="checkbox"/> Indifferent
H: What was the most common worker complaint?	None
I: What did the workers like the most about working at this site?	Workers were happy with the environment of factory. Factory pays all the workers on time.
J: Any additional comment(s) regarding interviews:	None
K: Attitude of workers to hours worked:	Positive

Agency Workers (if applicable) <i>(workers sourced from a local agent who are not directly paid by the site)</i>	
A: Number of agencies used (average):	NA And names if available:
B: Were agency workers' age/pay/hours included within scope of this audit	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Were sufficient documents for agency workers available for review?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

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Other findings

Other Findings Outside the Scope of the Code

Community Benefits <i>(Please list below any specific community benefits that the site management stated that they were involved in, for example, HIV programme, education, sports facilities)</i>













Photo Form

Adding Images To help keep the size of the Report as small as possible for ease of sending and saving the document we recommend that you use Microsoft Paint to resize your photos. To do so please follow these instructions:

- 1) To start Microsoft Paint, click 'Start', 'Programs', 'Accessories', then 'Paint'.
- 2) Open the image file you wish to edit.
- 3) Click the 'Image' Menu at the top and select "Stretch/Skew Image".
- 4) Choose a percentage figure to resize the image: to avoid distortion, choose the same percentage for horizontal and vertical stretch. Click OK.
- 5) Once you have the desired size, click File > Save As... (To prevent overwriting the original image). Save As jpeg (this provides compression to make the file smaller).
- 6) Please delete this text once complete.

		
Factory Main Entrance	Notice Board	Policies Display

		
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Working Hours	Fire Alarm	Fire Extinguishers
		
Industrial Emergency Lights	Yellow Marking Way	Evacuation Plan
		
First Aid Box	Emergency assembling area	Drinking Water Point
		
Emergency Contact numbers	Sewing Section	PPE Usage
		

Suggestion Box	Toilet for Ladies	Toilet for Gents
		
Bio Metric Machine	Acts Board Display	Packing section Risk Assessment Display

Your feedback on your experience of the SMETA audit you have observed is extremely valuable. It will help to make improvements to future versions.

You can leave feedback by following the appropriate link to our questionnaire:

[Click here for A & AB members:](http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d)
http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d

[Click here for B members:](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRqIY_2brq_3d_3d)
http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRqIY_2brq_3d_3d



For more information on Sedex please go to www.sedexglobal.com
or email auditing@sedexglobal.com
