

Monitored Party [REDACTED]	amfori ID [REDACTED]	Address [REDACTED] [REDACTED] [REDACTED] India
Monitoring Activity amfori Social Audit - Manufacturing	Monitoring Type Follow-up Monitoring	Monitoring Partner SGS
Monitoring Start Date 27/09/2023	Closing Meeting Finished Date 27/09/2023	Submission Date 16/10/2023
Expiration Date 16/07/2025	Announcement Type Semi Announced	
Site [REDACTED]	Site amfori ID [REDACTED]	

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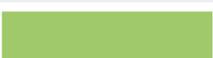
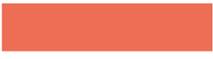
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OVERALL RATING



SECTION RATING

PA1: Social Management System	B	
PA 2: Workers Involvement and Protection	A	
PA 3: The Rights of Freedom of Association and Collective Bargaining	A	
PA 4: No Discrimination	A	
PA 5: Fair Remuneration	A	
PA 6: Decent Working Hours	A	
PA 7: Occupational Health and Safety	D	

PA 8: No Child Labour	A	
PA 9: Special Protection for Young Workers	A	
PA 10: No Precarious Employment	A	
PA 11: No Bonded Labour	A	
PA 12: Protection of the Environment	A	
PA 13: Ethical Business Behaviour	A	

GENERAL DESCRIPTION

Name of lead auditor: Parul Jaglan, CSCA 21700536.

Name of team auditor (if applicable): None

Name of observers, translators, trainees, advisors/consultants: None.

Monitoring partner name: SGS India Private Limited.

Audit schedule details: This is Follow up audit conducted by one (1) auditor in 1 day - 1 man day onsite (September 27, 2023) and 0.5 man day offsite for report writing.

Announcement Type: Semi- announced.

Auditor was affiliated to carry out audit in India. Business partner information: [REDACTED]. It started its production in [REDACTED]. Facility manufactures and exporting of Jute, cotton and allied fibre product. Business license (factory license) no. [REDACTED], reg. no [REDACTED] dated [REDACTED] for 500 workers and 2000 HP valid till [REDACTED] 2036. Address as per business license [REDACTED]. The facility total Plot area 26717 square meter, total covered area is 14087 square meter.

Manufacturing and exporting of Jute, cotton and allied fibre product. Facility is a Limited company.

Building description is as follows :-

Building 1 Ground floor - Raw material storage, Pre weaving, sizing, weaving, inspection and rolling, cutting, stitching / printing, finishing,

packing, packing, dispatch

First Floor - Stitching (Not working) and rest area was under renovation

Building 2 – boiler and compressor

Building 3- Ground floor -, Diesel generator, Electrical equipment

First floor - control room

Building 4- Canteen, toilet, crèche (not operational)

First floor- guest house (vacant)

Building 5- Dormitory with 3 floor

Main equipment / machineries used by facility are stitching machines, pressing tables, cutting machine, weaving, wrapping, sizing and printing.

The main production process flow chart is listed below:

Raw Material – Pre weaving - Sizing- Weaving - Inspection- Rolling - Cutting – Stitching / Printing – Finishing – Packing – Dispatch.

Facility do not outsource any production process.

Worker number information: Facility has total 397 employees (325 male and 72 female) and out of which 280 company employees (279 Male and 01 female) and 117 contractor employees (Male- 46 and female-71), working in the facility. There are no International there domestic migrant employees observed. Facility has no national migrant employees.

Out of 397 employees, 363 employees were present and 15 were on approved leave and 19 employees were informed absent on the day of audit.

Facility is operational in 3 general shifts for staff as per below detail – General shift for Staff – 09:00Am to 06:00 Pm, lunch break – 01:00Pm to 02:30Pm. The factory is working 3 shifts from 06:00 am to 02:00 pm., 2:00 to 10:00 Pm, 10:00 Pm to 06:00 am, all shifts are provided with 30 min lunch break and 30 min tea break divided in 2 shifts. All workers' weekly off is on Sunday, the facility has bio metric time recording system. Wage fixed on daily basis and paid in every 15 days; payment date is 7th and 22nd of every month by bank transfer to all the employees.

Scope of the first follow up audit was from 1 July 2023 to 31 August 2023 . A total of 10 samples were selected from current pay period i.e. (August 2023) and Random Month (July 2023). Facility has not declared Peak season; it is consistent throughout the year. Out of 10 samples, 07 are male and 03 female employee for interview. Facility use biometric electronic system to record IN & Out time records.

The facility management showed a positive attitude during the whole audit process. All the documents requested for review are provided. Access is granted to every part of the facility with ease.

Good practices: None

Worker organization details: Workers Committees, Health & safety committee, Grievance committee and Internal complaint committee.

Circumstances: There was no special circumstance during the audit and Facility management was found co-operative during the audit and shown keen interest to take corrective actions for the Non-Compliance's raised.

Overall finding summary. - During full audit conducted on June 27-29, 2023 findings were noted under Performance Area – PA-1,PA-2, PA-7 & PA-12.

First Follow up audit conducted on 27 September, 2023 - PA1, PA 2, PA5 ,PA 6, PA 7 and PA 12 were covered and findings noted under Performance Area –PA-1 and PA7.

PA3, PA-4, PA8, PA-9, PA-10,PA-11 and PA 13 were not covered under the scope of follow up audit ,whereas rated as " Yes " ,due to no non-conformance noted during Initial audit and " Not rated " option available.

All the documents requested for review are provided. Access is granted to every part of the facility with ease.

Wage fixed on a monthly basis and paid on or before on 7th of every month by bank transfer to all the employees. August 2023 (most recent paid month): Maximum working hours were 48.00 hours per week (No overtime was performed).

July 2023 (Random month): Maximum working hours were 48.00 hours per week (No overtime was performed).

Note:

- 1) No union exist. Hence, no Collective bargaining applicable .
- 2) Facility has no government waiver.
- 3) Access was granted to all parts of facility and all audit processes.
- 4) There is no Inconsistencies between time and production records.
- 5) Dormitory were provided.
- 6) BNW calculation was available However, evidence were not attached under attachment tab.

#Living Wage : 1. The auditor has conducted calculation Basic Need wage calculation based on the survey conducted by the facility from the employees staying in and around [REDACTED]
2. By taking into account of expenses and arrived by using the formula Living Wage calculated by facility: The BNW is INR 7977.

SITE DETAILS

Site

[REDACTED]

Site amfori ID

356-[REDACTED]002

GICS Classification

Sector

Consumer Discretionary

Industry Group

Consumer Durables & Apparel

Industry

Textiles, Apparel & Luxury Goods

Sub Industry

Textiles

amfori Process Classifications

N.A.

GS1 Classifications

N.A.

NACE Classification

N.A.

Water Stress Situation

N.A.

METRICS

Key Metrics

Total workforce	363	Workers
Legal minimum wage in local currency	9,516	Monthly
Lowest wage paid for regular work at the site	9,620	Monthly
Calculated living wage in local currency	7,977	Monthly
Total sample	10	Workers

Other Metrics

Male workers	292	Workers
Female workers	71	Workers
Permanent workers - Male	301	Workers
Permanent workers - Female	72	Workers
Temporary workers - Male	0	Workers
Temporary workers - Female	0	Workers
Seasonal workers - Male	0	Workers
Seasonal workers - Female	0	Workers
Management - Male	24	Workers
Management - Female	0	Workers
Apprentices - Male	0	Workers
Apprentices - Female	0	Workers
Workers on probation - Male	0	Workers
Workers on probation - Female	0	Workers
Workers with night shift - Male	301	Workers
Workers with night shift - Female	0	Workers
Workers with disabilities - Male	0	Workers
Workers with disabilities - Female	0	Workers
Domestic migrant workers - Male	0	Workers
Domestic migrant workers - Female	0	Workers
Foreign migrant workers - Male	0	Workers
Foreign migrant workers - Female	0	Workers
Workers hired directly - Male	255	Workers
Workers hired directly - Female	1	Workers
Workers hired indirectly - Male	46	Workers
Workers hired indirectly - Female	71	Workers
Unionised workers - Male	0	Workers
Unionised workers - Female	0	Workers
Workers under CBA - Male	0	Workers
Workers under CBA - Female	0	Workers
Pregnant workers	0	Workers

FINDINGS



PA1: Social Management System

Site: [REDACTED] | Site amfori ID: 356-[REDACTED]002

Question: 1.1 Is there satisfactory evidence that the auditee has set up an effective management system to implement the amfori BSCI Code of Conduct?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>Initial audit was conducted on 28-29 June, 2023. Finding : During review of records it was noted that the facility has working in 3 shift , however the facility has not obtained the Night shift permission from the concerned department . Law : In accordance with The [REDACTED] Factories Rules, 1958 & According to THE FACTORIES ACT, 1948 61. (1) .</p> <p>Follow up audit conducted on September 27, 2023 Status :- Partially corrected.</p> <p>1) During review of records it was noted that the facility has working in 3 shift and obtained all shift permission including Night shift on 21/8/2023. 2) Local Law: Not Applicable In accordance with amfori BSCI Code of Conduct Finding – a) The management system was not effective and there were findings noted in the Audit under other Performance Areas. For finding details, please refer to Performance Area –PA-1and PA-7.</p> <p>It was 'partial' compliance because the as facility has social management system however it was partially effective.</p>	Not applicable

Question: 1.2 Is there satisfactory evidence that a senior manager has been appointed to ensure that the values and principles of amfori BSCI are followed in a satisfactory manner?

ENGLISH
Finding
<p>Finding : During review of records it was noted that the facility has appointed a senior manager , however it was noted that the values and principles of amfori BSCI are not followed in a satisfactory manner. Code : In accordance with Amfori BSCI code 1.2</p>

Question: 1.3 Is there satisfactory evidence that the auditee has a good overview of the significant business partners and their level of alignment with the amfori BSCI Code of Conduct?

ENGLISH

Finding

Finding : During review of records it was noted that the facility having 27 suppliers listed in their business partner list , However the facility has conducted training and communicated Amfori BSCI COC to only 9 business partner .

Code : In accordance with Amfori BSCI code 1.3

PA 2: Workers Involvement and Protection

Site: [REDACTED] | Site amfori ID: 356-[REDACTED]002

Question: 2.1 Is there satisfactory evidence that the auditee has good management practices that involve workers and their representatives in sound information exchange on workplace issues?

ENGLISH

LOCAL LANGUAGE

Finding

Finding : During review of records it was noted that the grievance committee formation not done with equal representation according to law requirement.

Law : According to Industrial Disputes Act (1947), Amendment (2010), Sec.9C(1-4) (I)

Finding : During review of records it was noted that the facility has not submitted annual return of Internal complaint committee.

Law : According to In accordance to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Not Applicable

Question: 2.2 Is there satisfactory evidence that the auditee defines long-term goals for protecting workers in line with the aspirations of the amfori BSCI Code of Conduct?

ENGLISH

LOCAL LANGUAGE

Finding

Finding : During review of records it was noted that the facility have written long term goals towards sustainable improvements in amfori BSCI, however workers representatives are not effectively involved to define the goals and the facility long terms goals not defined with Implementation system .

Code: In accordance with amfori BSCI 2.2

Not Applicable

Question: 2.5 Is there satisfactory evidence that the auditee has established, or participates in, an effective operational-level grievance mechanism for individuals and communities?

ENGLISH

LOCAL LANGUAGE

Finding

Finding : During review of records and audit process it was noted that the auditee has not established, or participates in, an effective operational-level grievance mechanism for individuals and communities.

Code : In accordance with Amfori BSCI code 2.5

Not Applicable

PA 7: Occupational Health and Safety

Site: [REDACTED] | Site amfori ID: 356-[REDACTED]002

Question: 7.3 Is there satisfactory evidence that the auditee regularly carries out risk assessments for safe, healthy and hygienic working conditions?

ENGLISH

LOCAL LANGUAGE

Finding

Finding : During review of records it was noted that the factory does not have written risk assessment procedure based on young workers, migrant workers etc. However, the risk assessment is available for production process, and vulnerable workers such as pregnant women and new mothers.

Code: In accordance with amfori COC - 7.3

Not Applicable

Question: 7.5 Is there satisfactory evidence that the auditee regularly provides OHS trainings to ensure workers understand the rules of work, personal protection and measures for preventing and reacting to injury to themselves and fellow workers?

ENGLISH

LOCAL LANGUAGE

Finding

Finding : During factory tour it was noted that workers are not using the provided PPE such as Helmet , Facemask & safety shoes in production , printing and weaving section , further noted that workers are not found fully aware about how to Use the provided PPE during working .

Code : In accordance with Amfori BSCI code 7.5

Not Applicable

Question: 7.7 Is there satisfactory evidence that the auditee implements engineering and administrative control measures to avoid or minimise the release of hazardous substances into the work environment, keeping the level of exposure below internationally established or recognised limits?

ENGLISH

LOCAL LANGUAGE

Finding	
<p>Finding : During factory tour it was noted that chemicals were not provided with secondary containment found not kept at designated place, further not labelled according to hazard in nature at weaving section , outer periphery and chemical store .</p> <p>Law : The [REDACTED] Factories Rules, 1958, PART I Applying to all the works mentioned in Appendix: I, 13. Packing, Storage and Transport of Chemicals.</p>	Not Applicable

Question: 7.11 Is there satisfactory evidence that the auditee confirms that the equipment and buildings used for production are stable and safe?

ENGLISH	LOCAL LANGUAGE
Finding	
<p>Initial audit was conducted on 28-29 June, 2023</p> <p>Finding : During review of records it was noted that the facility has not included 1st floor with 200 stitching machine in approved layout plan, The floor was found newly constructed .</p> <p>Law : In accordance with Rule 3 (1) of The [REDACTED] Factories Rules 1958</p> <p>Follow up audit was conducted on 27 September 2023 Status :- Not corrected</p> <p>Based from review of records and facility tour, it was noted that as per approved layout of plan no. 59 on 04/05/2005, facility has coating plant area at first floor (which was found under renovation) instead of stitching area with approx 200 stitching machine. However, no employee was working on the day of audit.</p> <p>It was 'partial' compliance because the facility has approved layout plan for first floor. However, actual layout was not amended in the same.</p>	Not Applicable

Question: 7.15 CRUCIAL: Is there satisfactory evidence that the auditee ensures that escape routes, aisles and emergency exits in the production site are not blocked, easily accessible and clearly marked?

ENGLISH	LOCAL LANGUAGE
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Finding	
<p>Initial audit was conducted on 28-29 June, 2023</p> <p>Finding 1. During factory tour it was noted that exit routes were found partially blocked with production materials and packing goods , further noted 2 out of 6 exit gates were found blocked with Parked shipment vehicles at weaving section on ground floor .</p> <p>Law : In accordance with The [REDACTED] Factories Rules, 1958 & Section 38 (1 & 2) of The Factories Act, 1948</p> <p>Finding 2. During factory tour it was noted that the facility has not provided secondary exit on 1st floor section at canteen building having 6 rooms , however on the day of audit it was found not operational .</p> <p>Law : In accordance with The [REDACTED] Factories Rules, 1958 & Section 38 (1 & 2) of The Factories Act, 1948</p> <p>Follow up audit was conducted on 27 September 2023</p> <p>Status :- partially corrected</p> <p>1) During factory tour it was noted that exit routes were found free from blockage throughout the facility. However, 01 out of 6 exit gates were found blocked with parked vehicles used for outward material at lifestyle section gate on ground floor.</p> <p>2) Facility has not provided secondary exit on 1st floor section at canteen building having 6 rooms , however on the day of audit it was found not operational .</p> <p>Auditee has established policy / procedures on health and safety and 05 out of 06 gates and escape route were found free from blockage and accessible to all employees, Therefore, it is rated as 'Partial Non-Compliance.</p>	Not Applicable

Question: 7.18 CRUCIAL: Is there satisfactory evidence that the auditee ensures qualified first-aid is available at all times?

ENGLISH

LOCAL LANGUAGE

Finding

Finding : During factory tour it was noted that qualified first aiders are not working properly , 1 out of 3 first aid box were found equipped with expired

Not Applicable

Finding	
<p>medicine.</p> <p>Law : In accordance with Factories Act 1948, Chapter V, Section 45 (1)</p>	

Question: 7.21 Is there satisfactory evidence that the auditee provides workers with access to an appropriate, clean area for storing food, eating and/or cooking?

ENGLISH	LOCAL LANGUAGE
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Finding	
<p>Finding : During factory tour it was noted that the toilets constructed in canteen building and next to canteen building , which is not meeting the law requirement .</p> <p>Law : In accordance with ██████████ Factories Rules, 1958, (As modified up to the 1st January, 1966) .</p>	Not Applicable



PA 12: Protection of the Environment

Site: ██████████ | Site amfori ID: 356-████████002

Question: 12.3 Is there satisfactory evidence of the auditee's required environmental permits and licences?

ENGLISH	LOCAL LANGUAGE
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Finding	
<p>Finding : During review of records it was noted that the facility obtained Pollution consent included with 500 KVA , but the actual capacity of DG is 800 KVA . The facility has submitted for correction to the concerned department dated 13-01-2023 but the final consent yet to received with revised Air consent .</p> <p>LAw : According to Section 21 (1) of The Prevention and Control of Pollution Air 1981,</p>	Not Applicable