



# SMETA Corrective Action Plan Report (CAPR)

Version 6.1



## Audit Content:

- (1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Best Practice Version 6.1 (March 2019) 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
    - Universal rights covering UNGP
    - Management systems and code implementation,
    - Responsible Recruitment
    - 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 Customer's Supplier Code (Appendix 1)
- (3) 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.
- (4) Any Non-Compliance against customer code shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.



## Guidance

The Corrective Action Plan Report summarises the site audit findings and a corrective, and preventative action plan that both the auditor and the site manager believe is reasonable to ensure conformity with the ETI Base Code, Local Laws and additional audited requirements. After the initial audit, the form is used to record actions taken and to categorise the status of the non-compliances.

N.B. observations and good practice examples should be pointed out at the closing meeting as well as discussing non-compliances and corrective actions.

To ensure that good practice examples are highlighted to the supplier and to give a more 'balanced' audit a section to record these has been provided on the CAPR document (see following pages) which will remain with the supplier. They will be further confirmed on receipt of the audit report.

### Root cause (see column 4)

**Root cause refers to the specific procedure or lack of procedure which caused the issue to arise. Before a corrective action can sustainably rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.**

See SMETA BPG Chapter 7 'Audit Execution' for more explanation of "root cause".

### Next Steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, non-compliances, observations and good examples. If you have not already received instructions on how to do this then please visit the web site [www.sedexglobal.com](http://www.sedexglobal.com).
2. Sites shall action its non-compliances and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request via Sedex that the audit body verify its actions. Please visit [www.sedexglobal.com](http://www.sedexglobal.com) web site for information on how to do this.
4. The audit body shall verify corrective actions taken by the site by either a "Desk-Top" review process via Sedex or by Follow-up Audit (see point 5).
5. Some non-compliances that cannot be closed off by "Desk-Top" review may need to be closed off via a "1 Day Follow Up Audit" charged at normal fee rates. If this is the case, then the site will be notified after its submission of documentary evidence relating to that non-compliance. Any follow-up audit must take place within twelve months of the initial audit and the information from the initial audit must be available for sign off of corrective action.
6. For changes to wages and hours to be correctly verified it will normally require a follow up site visit. Auditors will generally require to see a minimum of two months wages and hours records, showing new rates in order to confirm changes (note some clients may ask for a longer period, if in doubt please check with the client).

Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	[REDACTED]	Sedex Site Reference: <i>(only available on Sedex System)</i>	[REDACTED]	
Business name (Company name):	[REDACTED]			
Site name:	[REDACTED]			
Site address:	[REDACTED]	Country:	IN	
Site contact and job title:	[REDACTED] / General Manager			
Site phone:	[REDACTED]	Site e-mail:	[REDACTED]	
SMETA Audit Pillars:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health and Safety (plus Environment 2-Pillar)	<input checked="" type="checkbox"/> Environment 4-pillar	<input checked="" type="checkbox"/> Business Ethics
Date of Audit:	2023-09-06			

Audit Company Name:
BSI Group

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

**Audit Parameters**

Time in and time out	Day 1		Day 2		
	In	10:00	In	09:30	
	Out	14:00	Out	18:00	
Audit type:	PERIODIC				
Was the audit announced?	SEMI_ANNOUNCED				
Was the Sedex SAQ available for review?	Yes				
Any conflicting information SAQ/Pre-Audit Info to Audit findings?	No				
Who signed and agreed CAPR	[REDACTED] / General Manager				
Is further information available	No				



Audit attendance	Management	Worker Representatives	
	Senior management	Worker Committee representatives	Union representatives
A: Present at the opening meeting?	Yes	Yes	No
B: Present at the audit?	Yes	Yes	No
C: Present at the closing meeting?	Yes	Yes	No
<i>Reason for absence at the opening meeting</i>	No trade union exists.		
<i>Reason for absence during the audit</i>	No trade union exists.		
<i>Reason for absence at the closing meeting</i>	No trade union exists.		





## Summary of Findings


Issue <i>(please click on the issue title to go direct to the appropriate audit results by clause)</i>	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
<a href="#">0B - Management systems and code implementation</a>			0	0	1	GE [REDACTED]
<a href="#">4 - Child labour shall not be used</a>	4.4	§1	1	0	0	NC [REDACTED]
<a href="#">5 - Living wages are paid</a>	5.2		1	0	0	NC [REDACTED]

## Local Law Issues

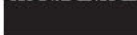
Issue	Description
§1	<p>As per the amendment to the [REDACTED] Maternity Benefits Rules. [G.O. Ms. No. 208, Labour and Employment [REDACTED] December 2020] notified by the government, (3) Buildings. - The accommodation shall be not less than 1.5 square metres of the floor area for each child to be accommodated in a Creche and the height of roof shall not be less than 3.7 metres from the floor, with heat resistant material and water proof and the building shall be, (a) provided with fire safety equipment; (b) adequately lighted and ventilated; (c) provided artificial lightning with emergency power backup; (d) maintained in a clean and sanitary condition; and (e) of sound construction with a good plinth. (4) Staff. - The Creche shall be posted with; (a) one woman teacher cum warden who is qualified and trained in childcare; (b) one woman 'Creche Attender' who is qualified or trained in midwifery; and (c) one woman 'ayah' for every 10 or 15 children. (5) Facilities. - (a) The Creche shall be furnished with suitable furniture and cradles, toys, mats, beds, pillows, cotton sheet, utensils to feed, rubber sheet and mosquito nets. (b) A suitable fenced and shady open air playground shall be provided for the older children with suitable playing materials such as sliders, see-saws, swings and toys. (c) Kitchen with cooking and feeding utensils and stove shall be provided or in its absence, employer should make available hygienic food or beverage. (d) The Creche shall be kept open 24/7 for employees working in shifts with not more than eight hours a day per shift. (e) There shall be provided safe and purified drinking water facility with adequate arrangements for storage of clean water. (f) Clean pure fresh milk if possible otherwise, powdered milk approved by the certifying surgeon, at least 0.3 litres of milk per child shall be made available and the children in the age of two years, shall be provided with wholesome refreshment. (g) The Creche staff shall be provided with suitable clean clothes or uniform for use while on duty. (6) Wash room. - (a) There shall be in or adjoining the Creche, a suitable separate washroom for children. (b) There shall be separate latrine for every 20 children and separate latrine for staff/mothers adjoining the bathroom and Creche latrine shall always be kept clean with adequate supply of water and cleaning materials. (c) The management shall supply clean towels, oil and soaps.</p>

## Corrective Action Plan - Non Compliances



Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	[REDACTED]	
Clause	4 - Child labour shall not be used	
Issue Title	397 - Childcare facilities are not provided in alignment with legal requirements	
Subcategory	Child care & education	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
Local law issue	<p>As per the amendment to the [REDACTED] Maternity Benefits Rules. [G.O. Ms. No. [REDACTED] ur and Employment (H2), 28th December 2020] notified by the government, (3) Buildings. - The accommodation shall be not less than 1.5 square metres of the floor area for each child to be accommodated in a Creche and the height of roof shall not be less than 3.7 metres from the floor, with heat resistant material and water proof and the building shall be, (a) provided with fire safety equipment; (b) adequately lighted and ventilated; (c) provided artificial lightning with emergency power backup; (d) maintained in a clean and sanitary condition; and (e) of sound construction with a good plinth. (4) Staff. - The Creche shall be posted with; (a) one woman teacher cum warden who is qualified and trained in childcare; (b) one woman 'Creche Attender' who is qualified or trained in midwifery; and (c) one woman 'ayah' for every 10 or 15 children. (5) Facilities. - (a) The Creche shall be furnished with suitable furniture and cradles, toys, mats, beds, pillows, cotton sheet, utensils to feed, rubber sheet and mosquito nets. (b) A suitable fenced and shady open air playground shall be provided for the older children with suitable playing materials such as sliders, see-saws, swings and toys. (c) Kitchen with cooking and feeding utensils and stove shall be provided or in its absence, employer should make available hygienic food or beverage. (d) The Creche shall be kept open 24/7 for employees working in shifts with not more than eight hours a day per shift. (e) There shall be provided safe and purified drinking water facility with adequate arrangements for storage of clean water. (f) Clean pure fresh milk if possible otherwise, powdered milk approved by the certifying surgeon, at least 0.3 litres of milk per child shall be made available and the children in the age of two years, shall be provided with wholesome refreshment. (g) The Creche staff shall be provided</p>	
		 <a href="#">Creche Room.jpeg</a>



	with suitable clean clothes or uniform for use while on duty. (6) Wash room. - (a) There shall be in or adjoining the Creche, a suitable separate washroom for children. (b) There shall be separate latrine for every 20 children and separate latrine for staff/mothers adjoining the bathroom and Creche latrine shall always be kept clean with adequate supply of water and cleaning materials. (c) The management shall supply clean towels, oil and soaps.	
ETI code	4.4 - These policies and procedures shall conform to the provisions of the relevant ILO Standards.	
Explanation to the non compliance	During the site tour, it was observed that the child care provided by the facility is not adequately maintained (i.e. washroom, care taker, etc.) as per the requirements of Maternity Benefits Rules.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> 30 days <input type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended to ensure the child care provision is maintained as per the  Maternity Benefits Rules.	



Non-Compliance		Evidence
<a href="#">[Back to findings summary]</a>		
<b>Non-Compliance</b>		
Status	OPEN	
Reference	[REDACTED]	
Clause	5 - Living wages are paid	
Issue Title	408 - Isolated failure to provide payslips with complete, accurate and understandable information to workers	
Subcategory	Record keeping and documentation	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Root cause	<input type="checkbox"/> Training <input checked="" type="checkbox"/> System <input type="checkbox"/> Costs <input type="checkbox"/> Lack of workers <input type="checkbox"/> Other	
Root cause - Other		
ETI code	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.	
Explanation to the non compliance	During the document review and worker interview, it was observed that the copies of the payslips are given to the workers, however, two out of twenty six interviewed workers weren't able to understand the information in the pay slips provided to them.	
Follow up method	<input type="checkbox"/> Follow up audit <input checked="" type="checkbox"/> Desktop audit	
Timescale	<input type="checkbox"/> Immediate <input type="checkbox"/> 30 days <input checked="" type="checkbox"/> 60 days <input type="checkbox"/> 90 days <input type="checkbox"/> 120 days <input type="checkbox"/> 180 days <input type="checkbox"/> 365 days <input type="checkbox"/> Other	
Actions	It is recommended to explain the components of the pay slip to the workers who are not unable to understand them.	





## Corrective Action Plan - Good Examples

Good Example		Evidence
<p><a href="#">[Back to findings summary]</a></p>		
Good Example		
Status	OPEN	
Reference		
Clause	0B - Management systems and code implementation	
Issue Title	35 - Presence of relevant certifications certification that address labour rights / human rights, environmental impact or corruption (OHSAS 18001, ISO 14001, ISO 50001, ISO 37001, SA8000 etc.)	
Subcategory	Site's licenses & Certifications	
New or carried over?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Carried Over	
Explanation to the good example	The supplier is certified for ISO 9001:2015, ISO 14001:2015 and SA 8000:2014 standard requirements.	
Evidence	SA 8000:2014 certificate no. SA 720966 dated 18.12.2022 valid till 17.12.2025 by M/s. BSI; ISO 9001:2015 certificate no. DAS 51273886/47/Q. Rev. No. 02 dated 06.04.2021 valid till 05.04.2024 by M/s. DAS Certification; ISO 14001:2015 certificate no. DAS 39494774/47/E. Rev. No. 01 dated 21.11.2022 valid till 20.11.2025 by M/s. DAS Certification.	



## SMETA Declaration

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

- (1) 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.
- (2) Any Non-Compliance against customer code alone shall not be uploaded to Sedex. However, in the CAPR these 'Variances in compliance between ETI code / SMETA Additions/ local law and customer code' shall be noted in the observations section of the CAPR.

Auditor Team			
Lead Auditor:	Hemamalini Ganesan	APSCA Number:	21704170
Additional Auditors:	Bagyalakshmi Selvaraj		21705714
Date of declaration:	2023-09-07		

Note: The 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.

Site Representation	
Full Name:	[Redacted]
Title:	General Manager
Date of declaration:	2023-09-07
Comments:	<p><i>Any exceptions to this must be recorded here (e.g. different sample size):</i>  <i>Sampled wage records from the past 5 months were provided for review (5 months only since the operation for digital thermometer just started last Sep 2020).</i>  <i>The audit took 2.0 man-days (9AM-6PM per day). Audit time was extended until 8PM due to the extent of documentation; this was agreed upon with the factory representatives</i></p>
Nil	

# Guidance on Root Cause

## Explanation of the Root Cause Column

If a non-compliance is to be rectified by a corrective action which will also prevent the non-compliance re-occurring, it is necessary to consider whether a system change is required.

Understanding the root cause of the non-compliance is essential if a site is to prevent the issue re-occurring.

The root cause refers to the specific activity/ procedure or lack of activity /procedure which caused the non-compliance to arise. Before a corrective action can rectify the situation, it is important to find out the real cause of the non-compliance and whether a system change is necessary to ensure the issue will not arise again in the future.

Since this is a new addition, it is not a mandatory requirement to complete this column at this time. We hope to encourage auditors and sites to think about Root Causes and where they are able to agree, this column may be used to describe their discussion.

### Some examples of finding a “root cause”

#### Example 1

Where excessive hours have been noted the real reason for these needs to be understood, whether due to production planning, bottle necks in the operation, insufficient training of operators, delays in receiving trims, etc.

#### Example 2

A non-compliance may be found where workers are not using PPE that has been provided to them. This could be the result of insufficient training for workers to understand the need for its use; a lack of follow-up by supervisors aligned to a proper set of factory rules or the fact that workers feel their productivity (and thus potential earnings) is affected by use of items such as metal gloves.

#### Example 3

A site uses fines to control unacceptable behaviour of workers.

International standards (and often local laws) may require that workers should not be fined for disciplinary reasons.

It may be difficult to stop fines immediately as the site rules may have been in place for some time, but to prevent the non-compliance re-occurring it will be necessary to make a system change.

The symptom is fines, but the root cause is a management system which may break the law. To prevent the problem re-occurring it will be necessary to make a system change for example the site could consider a system which rewards for good behaviour

Only by understanding the underlying cause can effective corrective actions be taken to ensure continuous compliance.

The site is encouraged to complete this section so as to indicate their understanding of the issues raised and the actions to be taken.





For more information visit: [Sedexglobal.com](https://www.sedexglobal.com)

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 Buyer \(A\) & Buyer/Supplier \(A/B\) members:](http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5Iw_3d_3d)**

[http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5Iw\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5Iw_3d_3d)

**[Click here for Supplier \(B\) members:](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d)**

[http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY\\_2brg\\_3d\\_3d](http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d)

**[Click here for Auditors:](https://www.surveymonkey.co.uk/r/BRTVCKP)**

<https://www.surveymonkey.co.uk/r/BRTVCKP>