

<b>FLA Audit Profile</b>									<b>EM Findings</b>																
<b>Country</b>	India								<b>Remediation</b>	<b>(Status)</b>	<b>Updates</b>	<b>Updates</b>	<b>(Status)</b>	<b>Updates</b>	<b>(Status)</b>	<b>Updates</b>	<b>(Status)</b>	<b>Updates</b>	<b>(Status)</b>						
<b>Factory Code</b>	12003242E								<b>Target Completion Date</b>	<b>Factory Response (Optional)</b>	<b>Company Follow Up (January 2008)</b>	<b>Documentation</b>	<b>Completed, Pending, Ongoing</b>	<b>Company Follow Up (July 24, 2008)</b>	<b>Documentation</b>	<b>Company Follow Up (April 15, 2009)</b>	<b>Documentation</b>	<b>Completed, Pending, Ongoing</b>	<b>Company Follow Up (June 10, 2010)</b>	<b>Documentation</b>	<b>Completed, Pending, Ongoing</b>	<b>Company Follow Up (April 10, 2011)</b>	<b>Documentation</b>	<b>Completed, Pending, Ongoing</b>	
<b>Unit</b>	Bureau Veritas Consumer Products Services India Pvt. Ltd.																								
<b>Date(s) in facility</b>	July 21 - 22, 2006																								
<b>ICG#</b>	021																								
<b>Number of workers</b>	274																								
<b>Product(s)</b>	15 shirts																								
<b>Production processes</b>	Knitting, Fabric Generation, Cutting, Sewing, Checking, Finishing, Packing																								
<b>FLA Audit Profile</b>									<b>EM Findings</b>																
<b>Country</b>	India								<b>Remediation</b>	<b>(Status)</b>	<b>Updates</b>	<b>Updates</b>	<b>(Status)</b>	<b>Updates</b>	<b>(Status)</b>	<b>Updates</b>	<b>(Status)</b>	<b>Updates</b>	<b>(Status)</b>						
<b>Factory Code</b>	12003242E								<b>Target Completion Date</b>	<b>Factory Response (Optional)</b>	<b>Company Follow Up (January 2008)</b>	<b>Documentation</b>	<b>Completed, Pending, Ongoing</b>	<b>Company Follow Up (July 24, 2008)</b>	<b>Documentation</b>	<b>Company Follow Up (April 15, 2009)</b>	<b>Documentation</b>	<b>Completed, Pending, Ongoing</b>	<b>Company Follow Up (June 10, 2010)</b>	<b>Documentation</b>	<b>Completed, Pending, Ongoing</b>	<b>Company Follow Up (April 10, 2011)</b>	<b>Documentation</b>	<b>Completed, Pending, Ongoing</b>	
<b>Unit</b>	Bureau Veritas Consumer Products Services India Pvt. Ltd.																								
<b>Date(s) in facility</b>	July 21 - 22, 2006																								
<b>ICG#</b>	021																								
<b>Number of workers</b>	274																								
<b>Product(s)</b>	15 shirts																								
<b>Production processes</b>	Knitting, Fabric Generation, Cutting, Sewing, Checking, Finishing, Packing																								

FLA Code/Compliance Issue	Country Law/Regulation Reference	FLA Benchmark	Noncompliance	Risk of Noncompliance	Evidence of Noncompliance (Uncoerced/ Observed)	If Not Corrected, Explain Why	Source/Documentation	Notable Features	Remediation		Updates		Updates		Updates		Updates		
									PC Remediation Plan	Target Completion Date	Factory Response (Optional)	Company Follow Up (January 2008)	Documentation	Completed, Pending, Ongoing	Company Follow Up (July 24, 2008)	Documentation	Company Follow Up (April 15, 2009)	Documentation	Completed, Pending, Ongoing
<b>1. Code Awareness</b>		<b>FLA Principle of Monitoring, Obligation of Companies:</b> Ensure that workers are aware of their rights and understand their obligations as well as to contractors, contractors and suppliers.	Code of conduct (COC) in the participating company (PC) was not available or displayed in the factory.				Visual observation, management interview												
Code Posting/Information		FLA Principle of Monitoring, Obligation of Companies: Ensure that workers are aware of their rights and understand their obligations as well as to contractors, contractors and suppliers.	Code of conduct (COC) in the participating company (PC) was not available or displayed in the factory.				Visual observation, management interview												
Workers/Management Awareness of Code		FLA Principle of Monitoring, Obligation of Companies: Ensure that workers are aware of their rights and understand their obligations as well as to contractors, contractors and suppliers.	Neither workers nor management were aware of the code. COC was not available/developed.				Visual observation, management interview												
Confidential Noncompliance Reporting Channel		FLA Principle of Monitoring, Obligation of Companies: Ensure that workers are aware of their rights and understand their obligations as well as to contractors, contractors and suppliers.	Participating company has not developed a secure communication channel to enable factory employees, contract workers, and suppliers to report non-compliance with the Workforce Standards.				Worker and management interview												
<b>2. Forced Labor</b>																			
Child Labor																			
Age Documentation		According to Item 11(a) Schedule 18 of the Industrial Employment (SO) Central Rules 1946, Every employer shall maintain a list of all persons employed by him in his establishment in which he is engaged in a manufacturing industry, local authority or purchase or register of firms, or other certificate or orders.	Company does not maintain proof of age documentation for all workers such as birth certificates, which workers draw up and maintain for the 240 contract and casual workers observed on the day of audit.				Visual observation, management interview												
Age Documentation		According to Item 11(a) Schedule 18 of the Industrial Employment (SO) Central Rules 1946, Every employer shall maintain a list of all persons employed by him in his establishment in which he is engaged in a manufacturing industry, local authority or purchase or register of firms, or other certificate or orders.	Company does not maintain proof of age documentation for all workers such as birth certificates, which workers draw up and maintain for the 240 contract and casual workers observed on the day of audit.				Visual observation, management interview												
<b>3. Employment of Women</b>																			
Training of Management/ Supervisors		Employees will provide training to managers and supervisors in appropriate disciplinary practices.	Factory has not provided training to current supervisors in appropriate disciplinary practices.				Management interview												
Record Maintenance		Employees will maintain written records of disciplinary actions taken.	Factory does not maintain records of disciplinary actions taken.				Management interview												
Other		Internal Grievance Mechanism	There is no formal internal grievance mechanism designed to manage any non-compliance.				Management interview												
<b>4. Non-Discrimination</b>																			
Health and Safety																			
Legal Compliance		According to Section 77 of the Factories Act 1947, every factory owner or manager shall ensure that the premises are safe and healthy and that the workers are provided with adequate protection against accidents and injury to health arising out of, or in consequence of, the operation of the factory.	Factory has not obtained a No Objection Certificate (NOC) from the fire department.				Management interview												
Document Maintenance/ Accessibility		According to Section 77 of the Factories Act 1947, every factory owner or manager shall ensure that the premises are safe and healthy and that the workers are provided with adequate protection against accidents and injury to health arising out of, or in consequence of, the operation of the factory.	All documents required to be available to workers and management by applicable laws (such as policies, MSDS, etc.) shall be made available in the prescribed manner in the local language or language understood by the workers in the area.				Management interview, visual observation												
Evaluation Procedure		According to Section 77 of the Factories Act 1947, every factory owner or manager shall ensure that the premises are safe and healthy and that the workers are provided with adequate protection against accidents and injury to health arising out of, or in consequence of, the operation of the factory.	All applicable legally required or recommended elements of safety education (including fire evacuation drills) shall be provided to all workers in the area of the factory. Training records shall be maintained.				Visual observation												
Safety Equipment		According to Section 77 of the Factories Act 1947, every factory owner or manager shall ensure that the premises are safe and healthy and that the workers are provided with adequate protection against accidents and injury to health arising out of, or in consequence of, the operation of the factory.	All safety and medical equipment (such as eye protection, first aid kit, etc.) shall be in place, maintained and accessible to the employees.				Visual observation												
Safety Equipment		According to Section 77 of the Factories Act 1947, every factory owner or manager shall ensure that the premises are safe and healthy and that the workers are provided with adequate protection against accidents and injury to health arising out of, or in consequence of, the operation of the factory.	All safety and medical equipment (such as eye protection, first aid kit, etc.) shall be in place, maintained and accessible to the employees.				Worker and management interview, document review												
Personal Protective Equipment (PPE)		According to Section 77 of the Factories Act 1947, every factory owner or manager shall ensure that the premises are safe and healthy and that the workers are provided with adequate protection against accidents and injury to health arising out of, or in consequence of, the operation of the factory.	Workers shall wear appropriate protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure to chemicals and other hazards.				Visual observation												
Chemical Management		According to Section 77 of the Factories Act 1947, every factory owner or manager shall ensure that the premises are safe and healthy and that the workers are provided with adequate protection against accidents and injury to health arising out of, or in consequence of, the operation of the factory.	Chemicals and hazardous substances shall be properly labeled and stored in a secure area.				Visual observation												
Vermin/Electrical/Facility Maintenance		According to Section 77 of the Factories Act 1947, every factory owner or manager shall ensure that the premises are safe and healthy and that the workers are provided with adequate protection against accidents and injury to health arising out of, or in consequence of, the operation of the factory.	All production machinery and equipment shall be properly maintained and kept in good working order.				Visual observation												
Record Maintenance		According to Section 77 of the Factories Act 1947, every factory owner or manager shall ensure that the premises are safe and healthy and that the workers are provided with adequate protection against accidents and injury to health arising out of, or in consequence of, the operation of the factory.	All safety and accident reports shall be prepared and maintained in a secure area.				Management interview												
Machinery Maintenance		According to Section 21 of the Factories Act, 1947, every factory owner or manager shall ensure that the premises are safe and healthy and that the workers are provided with adequate protection against accidents and injury to health arising out of, or in consequence of, the operation of the factory.	Needle guards were not provided to any of the sewing machines.				Visual observation												



FLA Code/Compliance Issue	Country Law/Legal Reference	FLA Benchmark	EM Findings						Remediation				[Status]	Updates				[Status]	Updates				[Status]	
			Noncompliance	Risk of Noncompliance	Evidence of Noncompliance (Uncorroborated)	If Not Corroborated, Explain Why	Source/Documentation	Notable Features	PC Remediation Plan	Target Completion Date	Factory Response (Optional)	Company Follow Up (January 2008)		Documentation	Completed, Pending, Ongoing	Company Follow Up (July 24, 2008)	Documentation		Completed, Pending, Ongoing	Company Follow Up (April 15, 2009)	Documentation	Completed, Pending, Ongoing		Company Follow Up (June 10, 2010)
Personal Files	According to Item 2 of Schedule 18 of the Industrial Employment (SI) Act, 1946, the employers under license and conditions required a letter of appointment, confirm eight workers and issue a letter of confirmation to them. Wherever worker is confirmed, an entry with regard to confirmation shall also be made in their service card within a period of 30 days from date of such confirmation. According to Schedule 10 of the Model Standing Orders on Additional Items, under 11 every industrial establishment shall maintain service card in respect of each worker in triplicate approved by the labor officer where particulars of that worker shall be recorded with knowledge of the worker and attested by an officer authorized in this behalf together with the date.		Personal files of the workers are incomplete.				document review	None	Factory management must maintain personal files for all types of workers, including security guards and housekeeping personnel. The records must include age verification documents, appointment letter, PF (SI) enrollment forms, vacation leave/records, etc. This file should be completed within a maximum of 10 days from the date workers start working at the factory.	03/2007		Personal files of all workers with personal files are complete. However, about 35 workers who are not on payroll do not have personal files. Factory management must ensure to enroll these 35 workers in PF (SI) and social security system. In addition, personal files must be created for the 35 workers.	document review, management interview	Ongoing	Personal files of workers who are not on the rolls are not maintained or created.		Factory continues to employ workers of the books; hence, personal files of these workers are not available.	Pending	Personal files found to be made for all workers and included documents like appointment letters, age proof, ESI and PF nomination forms, employment applications, tickets, etc.	personal files	Complete	1) Some workers, approximately 20-25, paid off the books. No personal files along with necessary documents were maintained. 2) Factory is advised that file/department should develop personnel file or record system for each worker. All relevant information should be kept with file, e.g., employment contract, any warning letter issued, or other records of discipline or reward. Personnel file should be organized and easily accessible if requested.	document review, worker interview	Pending
Subcontractors			Processes like drying and printing are done outside factory. No contractual agreement signed with subcontractors for maintenance of social standards. Subcontractors are not disclosed and approved by the FLSA based.				document review, management interview	None	1) Factory management must disclose all subcontractors, and send copy of such to PC for review. 2) Factory management must designate a person to communicate PC standards to subcontractors, as well as to conduct periodic monitoring visits to verify they are in compliance with labor, ESE, environmental laws and PC.	03/2007		PC recently has asked all factories to disclose their T2 suppliers. The list from this factory has not been received by PC's compliance team.	Pending	Supplier disclosed T2 suppliers. Additionally, T2 suppliers were visited by ESE team in May 2008 to compare the workplace standards, zero tolerance and threshold issues.	Factory has disclosed the T2 suppliers.	Pending	Factory has disclosed subcontractors and all subcontractors have been sent welcome kits containing Workplace Standards. Compliance manager is responsible for communicating compliance requirements with subcontractors, but monitoring compliance was not checked during the follow-up visit.	welcome kits signed by subcontractors	Ongoing	2) Welcome kits were not sent to subcontractors. 3) Factory management must designate a person to communicate standards to subcontractors, as well as to conduct periodic monitoring visits to verify they are in compliance with labor, ESE, environmental laws.	document review, management interview	Pending		
Off Roll Workers	According to Section 13A (1) of the Payment of Bonus Act, 1966, every employer shall maintain such register and records giving such particulars of persons employed by him, the work performed by them, the wages paid to them, the deductions made from their wages, the records given by them and such other particulars and in such form as may be prescribed.		Incompleteness was found in worker count. As per management, total number of workers in factory is 79. However, as per head count conducted, number of workers found on the rolls was 274. In all likelihood the number of workers is even higher, as there is a 2nd shift.				management interview, visual observation, head count	None	1) Factory management shall disclose total number of workers working in factory in all categories along with their names, card numbers, etc. 2) Factory management must create records for all workers in factory, including workers files, hours of work records, and payroll records. 3) Factory management must ensure all workers are provided all legally mandated benefits such as health care, and copy of all supporting documentation must be maintained in workers' files.	03/2007		1) Factory has increased number of workers on pay roll, but 36 workers are still to be included in the company's payroll. 2, 3) Pending.	management interview	Ongoing	1) 100 workers are required to be put on rolls. 2, 3) Pending.	1, 2, 3) All items are pending.	Pending	1) All workers in company were found to be in the company rolls and benefited records in personal files, time records and records were available for verification. All workers are found to be provided legally mandated benefits.	master records for workers, personal files	Complete	Information of all workers employed were not maintained in a proper format. Management interviews confirmed they have some workers listed off the books. All Factory is advised that all department should develop payroll file or record system for each worker. All relevant information should be kept with file, e.g., employment contract, any warning letter issued, or other records of discipline or reward. 3) Personal files should be organized and easily accessible if requested.	document review, worker interview	Pending	
Other	According to Section 6 (1) (a) of The Factories Act, 1946, The State Government may make rules (and requiring the previous permission in writing of the State Government or the chief inspector to be obtained for the site on which the factory is to be situated and for the construction or extension of any factory or class or description of factories. (d) requiring the registration and licensing of factories in any class or description of factories, and prescribing the fees payable for such registration and licensing and for the renewal of license.		Factory does not have a license to run a factory. However, they have applied for one.				document review, management interview	None	License to be sent to PC for review by deadline mentioned and to be verified in subsequent audit.	03/2007		Factory has obtained the factory license, verified through record screening.	document review	Completed										
Other	According to Section 3 (1) of The Industrial Employment (Standing Orders) Act, 1946, Within 6 months from date on which this Act becomes applicable to an industrial establishment, the employer shall submit to the chief inspector a copy of draft standing orders proposed by him for adoption in his industrial establishment. According to Section 3 (2) of the Industrial Employment (SI) Act, 1946, Certifying Officer shall inspect every draft standing order and after making any modifications therein which his order under subsection 2 may require and after 7 days thereafter send copies of certified standing orders as mentioned in the prescribed manner and of his order under subsection 2 to employer and to make copies or other prescribed representations of the		Factory has not drafted a standing order for submission of the same to the concerned authority for its approval and subsequent implementation in the factory.				management interview, document review	None	1) A copy of authorized standing order by local law to be sent to PC for review by given deadline and to be verified in subsequent audit.	03/2007		Factory has applied for the certification of Standing Order.	Standing orders copy	Ongoing	Factory has not yet received the copy of certified Standing Order from labor authorities.	Update not available.	Pending	Factory has obtained Standing Order, available for review.	Standing Order	Complete				
Contract Workers	According to Section 12 (1) of The Contract Labor (Regulation and Abolition) Act, 1970, With effect from such date as the appropriate government may, by notification in the official Gazette, specify no contractor to whom the act applies, shall undertake or execute any work through contract labor except under and in accordance with a license issued in that behalf by the licensing officer.		None of the 4 contractors have registered or obtained licenses to supply workforce in the factory.				management interview, document review	None	1) No contractor should be allowed to associate with factories that are not registered or do not have a license. 2) A copy of such must be submitted to factory management before providing services by contractor.	03/2007		Factory does not have contract labor on production floor for housekeeping and security guards. License is not required as they are employing less than 20 workers. However, they are still required by factory to register under Contract Labor Act. See below.	Completed					Factory has licensed security agency.	security agency license	Complete				
Contract Workers	According to Section 11 (1) of The Contract Labor (Regulation and Abolition) Act, 1970, Every principal employer of an establishment to which this act applies shall within such period as the appropriate government may, by notification in the official Gazette, fix in his behalf with respect to establishments generally or with respect to any class of them, make an application to the registering officer in the prescribed manner for registration of the establishment.		Factory has neither registered itself nor obtained a license to employ contract workers.				management interview, document review	None	Factory must present the proof of registration and license to employ contractual workers to PC. If the given deadline, Any contractor hired for services must be registered and should hold license for same. Copy to be available at all times on factory site.	03/2007		Factory does not employ contract workers for the production activities, but still has housekeeping and security guards through labor contractor. Factory must register Labor Contractors under the Contract Labor Act by September 30, 2007.	Pending	Pending.	Pending.	Pending	The licensed agency is not registered by factory under Contract Labor Act.		Pending	1) No permission available to hire workers through contractors as required by Contract Labor and Abolition Act of 1970. Factory engages contractors for production activities and support services, such as security and housekeeping. 2) It is highly advised that factory should disclose all works carried out by contractors under provision 3) of the Contract Labor Act of 1970, factory is advised to obtain Registration of Establishment under Contract Labor and Abolition Act, the nature of work to be carried out by contractual employees should be indicated in Registration of Establishment document. Factory is advised to make sure that number of contractual employees does not exceed the permissible limit fixed by license issuing authority.	document review, management interview	Pending		