SMETA
Sedex Members Ethical Trade Audit

SMETA Corrective Action Plan Report (CAPR)

Version 7



Contents

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Audit content

(1) A SMETA audit was conducted which included some or all of Labour Standards, Health & Safety, Environment and Business Ethics. The SMETA Minimum Requirements were applied and the SMETA Auditor Manual was followed. 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.

The audit scope includes an assessment of the Workplace Requirements and the Management Systems Assessment against the following Code Areas:

Included in a 2-Pillar audit:

1. Labour Standards Code Areas:
   - 0: Enabling accurate Assessment
   - 1: Employment is Freely Chosen
   - 1.A: Responsible Recruitment & Entitlement to Work
   - 2: Freedom of Association and Right to Collective Bargaining are Respected
   - 4: Child Labour Shall Not be Used
   - 5: Legal Wages are Paid
   - 5.A: Living Wages are Paid
   - 6: Working Hours are Not Excessive
   - 7: No Discrimination is Practiced
   - 8: Regular Employment is Provided
   - 8.A: Sub-contracting and Homeworkers are Used Responsibly
   - 9: No Harsh or Inhumane Treatment is Allowed
2. Health & Safety Code Area:
   - 3: Working Conditions are Safe and Hygienic
3. Environment Code Area:
   - 10.A: Environment 2-Pillar

Included in a 4-Pillar audit:

1. Labour Standards Code Areas
   - As 2-pillar
2. Health & Safety Code Area
   - As 2-pillar
3. Environment Code Area:
   - 10.A: Environment 2-Pillar
   - 10.B: Environment 4-Pillar
4. Business Ethics Code Area:
   - 10.C: Business Ethics

(2) Where appropriate, non-compliances or non-conformances were raised where either local law or the Base Code were not met, and recorded as non-compliances on both the audit report, CAPR and on the Sedex Platform.

(3) Any non-conformance against customer code shall not be uploaded to Sedex, but sent directly to the customer in question.

Audit and site details

Audit details

Sedex company reference	ZC418008979	**Auditor company name**	International Compliance Group
Date of audit	2025-04-24	**Audit conducted by**	Sedex member
Audit pillars	Labour Standards | Health and safety | Environment 4-Pillar | Business ethics		

Site details

Sedex site reference	ZS418020998	**Site name**	M/s Yellow Apparels
Business name	M/s Yellow Apparels	**Site address**	141123 D-4-5, Business Park, Hampton Homes Chandigarh Road, Ludhiana, IN
Site phone	+919901932304	**Site email**	info.yellowapparels@gmail.com

Audit parameters

Time in and out	Day 1	
	In	09:25
	Out	18:00
Audit type	Full initial	
Was the audit announced?	Semi announced	
Was the Sedex SAQ available for review?	Yes	
Who signed and agreed CAPR?	Mr. Lovepreet Singh / HR Manager	
Any conflicting information SAQ/Pre-Audit Info	No	
Is further information available?	No	

Audit attendance

	Senior management	Worker representative	Union representative
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
Reason for absence at the opening meeting	Not Applicable as no union has been formed in the facility.		
Reason for absence during the audit	Not Applicable as no union has been formed in the facility.		
Reason for absence at the closing meeting	Not Applicable as no union has been formed in the facility.		

SMETA declaration

Auditor team

SMETA declaration	I declare that the audit underpinning the following report was conducted in accordance with SMETA Minimum Requirements and the SMETA Auditor Manual. 1. Where appropriate non-compliances/ non-conformances were raised against the Base Code and local law and recorded as non-compliances/ non-conformances on both the audit report, CAPR and on the Sedex Platform. 2. Any non-conformance against customer code alone shall not be uploaded to Sedex, and will be shared directly with the customer in question. 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.		
Any exceptions to the SMETA Methodology must be recorded here (e.g. different sample size)	This is semi announced audit and window period is 04-23-2025 to 05-22-2025.		
Lead auditor	Sandeep Kumar	**APSCA Number**	32200710
Additional auditor	Ajay Vir Singh	**APSCA Number**	32400650
	Senthil Murugan T	**APSCA Number**	32400499
Date of declaration	2025-04-24		

Site representation

Declaration	I acknowledge that details from this report can change during the review process and that I will be given the opportunity to dispute the content once the review has been published.
Full name	Mr. Lovepreet Singh
Title	HR Manager
Date of declaration	2025-04-24

Summary of findings

Code area	Workplace requirement	Local law	Finding
3. Working conditions are safe and hygienic	3.R Provide clean and secure toilets, wash ar...	§1	NC ZAF-
	3.A Ensure a safe working environment. Put in...	§2	NC ZAF-
	3.A Ensure a safe working environment. Put in...	§3	NC ZAF-
	3.K Ensure that all premises are safe and hav...	§4	NC ZAF-
	3.O Implement an appropriate electrical safet...	§5	NC ZAF-
	3.O Implement an appropriate electrical safet...	§6	NC ZAF-
	3.M Ensure all machinery is installed, mainta...	§7	NC ZAF-
	3.G Provide sufficient first-aid supplies ons...	§8	NC ZAF-
	3.O Implement an appropriate electrical safet...	§9	NC ZAF-
	3.N Maintain a log of all hazardous substance...	§10	NC ZAF-
	3.L Implement effective processes to manage f...	§11	NC ZAF-
	3.N Maintain a log of all hazardous substance...	§12	NC ZAF-
	3.H Where identified as necessary to reduce r...	§13	NC ZAF-
	3.N Maintain a log of all hazardous substance...	§14	NC ZAF-
10.A. Environment 2-Pillar	10.A.B Comply with relevant local, regional a...	§15	NC ZAF-
	10.A.B Comply with relevant local, regional a...	§16	NC ZAF-
5.A. Living wages are paid	5.A.A Review workers' total pay including ben...		NC ZAF-
	5.A.B Put in place a wage improvement plan th...		NC ZAF-

Local law issues

§1	In Accordance with the Punjab Factories Rules 1952 Chapter V Welfare Section 78. Shelters, rest rooms and lunchrooms (1) This rule shall apply to all such factories wherein more than 150 workers are employed.
§2	In accordance with the Bio-Medical Waste Management Rules 2016, Section 4 – Duties of the occupier, It shall be the duty of every occupier to, (m) conduct health check up at the time of induction and at least once in a year for all its health care workers and others involved in handling of bio- medical waste and maintain the records for the same.
§3	In accordance with the Factories Act 1948, Chapter V Welfare, Section 48 – Crèches, (1) In every factory wherein more than 177[thirty women workers] are ordinarily employed there shall be provided and maintained a suitable room or rooms for the use of children under the age of six years of such women. In accordance with the Maternity Benefit Act 1961, Section 11 A - 36[Creche facility, (1) Every establishment having fifty or more employees shall have the facility of crèche within such distance as may be prescribed, either separately or along with common facilities: Provided that the employer shall allow four visits a day to the creche by the woman, which shall also include the interval for rest allowed to her. (2) Every establishment shall intimate in writing and electronically to every woman at the time of her initial appointment regarding every benefit available under the Act.]
§4	In Accordance with the Punjab Factories Rules 1952 Chapter IV Safety Section 66 Fire Protection (9) Fire exits (ee) Hand rails shall be provided with a minimum height of one hundred centimetres and shall be firmly supported.
§5	In accordance with the Static and Mobile Pressure Vessels (Unfired) Rules 2016, Chapter III – Storage, Section 21 – General, (1) Except specifically provided in these rules, all vessels meant for storage of compressed gas shall be installed entirely above-ground, that is to say, no part of the vessel shall be buried below the ground level.
§6	According to Section 30 of Indian Electricity Rules, 1956: Service lines and apparatus on consumer's premises- (1) The supplier shall ensure that all electric supply lines, wires, fittings and apparatus belonging to him or under his control, which are on a consumer's premises, are in a safe-condition and in all respects fit for supplying energy and the supplier shall take due precautions to avoid danger arising on such premises from such supply lines, wires, fittings and apparatus (2) Service-lines placed by the supplier on the premises of a consumer which are underground or which are accessible shall be so insulated and protected by the supplier as to be secured under all ordinary conditions against electrical, mechanical, chemical or other injury to the insulation (3) The consumer shall, as far as circumstances permit, take precautions for the safe custody of the equipment on his premises belonging to the supplier (4) The consumer shall also ensure that the installation under his control is maintained in a safe condition.
§7	In Accordance with the Punjab Factories Rles 1952 Chapter IV Safety Section 55. Further safety precautions (1) Without prejudice to the provisions of sub-section (1) of section 21 in regard to the fencing of machines, the further precautions specified in Schedules 36[I to VII]37 annexed hereto shall apply to the machines noted in each Schedule.
§8	In accordance with the Factories Act 1948Chapter IV Safety Section 45. First-aid appliances 164[Nothing except the prescribed contents shall be kept in a first-aid box or cupboard.

§9	In accordance with Indian Electricity Rules 1956, Rule 47(a), Installation and Testing of Generating Units- Where any consumer or occupier installs a generating plant, he shall give a thirty days' notice of his intention to commission the plant to the supplier as well as the Inspector. Provided that no consumer or occupier shall commission his generating plant of a capacity exceeding 10KW without the approval in writing of the Inspector.]
§10	In Accordance With the Punjab Factories Rules 1950 Chapter IV Safety Section 67-J. Collection, development and dissemination of information a) The occupier or every factory carrying on a hazardous process shall arrange to obtain or develop detailed information in the form the Material Safety Data Sheet (MSDS) prescribed in Form No. 8-C in respect of every hazardous substance or material handled in the manufacture, transportation and storage in the factory. It shall be accessible upon request to a worker for reference.
§11	In Accordance with the Punjab Factories Rules 1952 Chapter IV Safety Section 66 Fire Protection (9) Fire exits (e) The exits shall be clearly visible and suitable illuminate with suitable arrangements irrespective of the fact that whatever artificial lighting is to be adopted for this purpose, to maintain the required illumination in case of failure of the normal source of electric supply.
§12	In accordance of Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008-CHAPTER II-PROCEDURE FOR HANDLING HAZARDOUS WASTES-(5)The occupier shall take all adequate steps while handling hazardous wastes to:(i) contain contaminants and prevent accidents and limit their consequences on human beings and the environment; and (ii) provide persons working on the site with the training, equipment and the information necessary to ensure their safety. 7. Storage of Hazardous Waste. (1) The occupiers, recyclers, re-processors, re-users, and operators of facilities may store the hazardous wastes for a period not exceeding ninety days and shall maintain a record of sale, transfer, storage, recycling and reprocessing of such wastes and Crake these records available for inspection: Provided that the State Pollution Control Board may extend the said period in following cases, namely:- (i) small generators up to ten tones per annum; (ii) recyclers, re-processors and facility operators up to six months of their annual capacity; (iii) generators who do not have access to any Treatment, Storage, Disposal Facility in the concerned State; or (iv) the waste which needs to be specifically stored for development of a process for its recycling, reuse. 19. Packaging and labeling.- (1) The occupier or operator of the Treatment, Storage and Disposal Facility or recycler shall ensure that the hazardous waste are packaged and labeled, based on the composition in a manner suitable for safe handling, storage and transport as per the guidelines issued by the Central Pollution Control Board from time to time. (2) The labelling and packaging shall be easily visible and be able to withstand physical conditions and climatic factors
§13	In Accordance with the Punjab Factories Rules 1950 Chapter IV Safety Section 67-K. Disclosure of information to workers (1) The occupier of a factory carrying on a hazardous process shall supply to all workers the following information in relation to handling of hazardous materials o substances in the manufacture, transportation, storage and other processes: (g) personal protective equipment required to be used by workers employed in hazardous process or dangerous operations.
§14	In Accordance with the Punjab Factories Rules 1950 Chapter IV Safety Section 67-S. Decontamination facilities (c) a sufficient number of eye wash bottles filled with distilled water or suitable liquid, kept in boxes or cupboards conveniently situated and clearly indicated by a distinctive sign which shall be visible at all times.

§15	In accordance with (Prevention and Control of Pollution) Air 1981, Section 21 (1) Subject to the provisions of this section, no person shall, without the previous consent of the State Board, establish or operate any industrial plant in an air pollution control area (4), Within a period of four months after the receipt of the application for consent referred to in sub-section (1), the State Board shall, by order in writing, and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse such consent. In accordance with Water (Prevention and Control of Pollution) Act 1974, Section 25 (1), Subject to the provisions of this section, no person shall, without the previous consent of the State Board,- (a) establish or take any steps to establish any industry, operation or process, or any treatment and disposal system or an extension or addition thereto, which is likely to discharge sewage or trade effluent into a stream or well or sewer or on land (such discharge being hereafter in this section referred to as discharge of sewage); or (b) bring into use any new or altered outlets for the discharge of sewage; or (c) begin to make any new discharge of sewage.
§16	In accordance to the Hazardous Wastes (Management & Handling) Rules, 1989: Section 5 - Grant of authorization for handling hazardous wastes - 6 (ii) An application for the renewal of an authorisation shall be made in Form 1 before its expiry.

Findings: non-compliances

ZAF-

Non-compliance

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.R Provide clean and secure toilets, wash areas, and worker changing facilities, with adequate hygiene supplies separated by gender or with effective privacy. Ensure potable water is easily accessible by workers and, where appropriate, clean storage facilities for food and personal belongings.

Issue title
339 - No rest area/break area

Description
It was observed during the facility tour that there is no designated lunchroom provided for workers.

Corrective and preventative actions
The facility has acknowledged the absence of a designated lunchroom during the audit. Management has committed to providing a lunchroom in accordance with applicable legal requirements.

Local law reference
In Accordance with the Punjab Factories Rules 1952 Chapter V Welfare Section 78. Shelters, rest rooms and lunchrooms (1) This rule shall apply to all such factories wherein more than 150 workers are employed.

Status
Open*

Time given to resolve
60 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area
10.A Environment 2-Pillar

Workplace requirement
10.A.B Comply with relevant local, regional and national laws or regulations, and have the correct documentation or permits, including for resource use (e.g. water, energy, material) and waste disposal.

Issue title
598 - The site does not have all legally required permits for use and/or disposal of resources (e.g. energy, water, air emissions, waste etc.)

Description
It was noted during the document review and interaction with the management that the factory has not obtained the air consent from the Punjab Pollution Control Board.

Status
Open*

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

Corrective and preventative actions
The Facility ensures to obtain the Air consent from the concern authority.

Local law reference
In accordance with (Prevention and Control of Pollution) Air 1981, Section 21 (1) Subject to the provisions of this section, no person shall, without the previous consent of the State Board, establish or operate any industrial plant in an air pollution control area (4), Within a period of four months after the receipt of the application for consent referred to in sub-section (1), the State Board shall, by order in writing, and for reasons to be recorded in the order, grant the consent applied for subject to such conditions and for such period as may be specified in the order, or refuse such consent.

In accordance with Water (Prevention and Control of Pollution) Act 1974, Section 25 (1), Subject to the provisions of this section, no person shall, without the previous consent of the State Board,- (a) establish or take any steps to establish any industry, operation or process, or any treatment and disposal system or an extension or addition thereto, which is likely to discharge sewage or trade effluent into a stream or well or sewer or on land (such discharge being hereafter in this section referred to as discharge of sewage); or (b) bring into use any new or altered outlets for the discharge of sewage; or (c) begin to make any new discharge of sewage.

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ZAF-

Non-compliance

Code area
10.A Environment 2-Pillar

Workplace requirement
10.A.B Comply with relevant local, regional and national laws or regulations, and have the correct documentation or permits, including for resource use (e.g. water, energy, material) and waste disposal.

Issue title
598 - The site does not have all legally required permits for use and/or disposal of resources (e.g. energy, water, air emissions, waste etc.)

Description
It was noted during the document review and interaction with management that the factory has not obtained a third-party agreement for hazardous waste disposal from the concerned authority

Status
Open*

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

Corrective and preventative actions
The facility ensures to obtain the hazardous waste agreement from the concern authority.

Local law reference
In accordance to the Hazardous Wastes (Management & Handling) Rules, 1989: Section 5 - Grant of authorization for handling hazardous wastes - 6 (ii) An application for the renewal of an authorisation shall be made in Form 1 before its expiry.

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.A Ensure a safe working environment. Put in place adequate controls to prevent accidents and injury (including long-term injury) to health arising out of, associated with, or occurring in the course of work.

Issue title
317 - No medical examinations or regular occupational health checks, including disease checks, of workers in hazardous situations (e.g. exposed to noise or dust) or working with hazardous substances (e.g. chemicals and pesticides)

Description
It was noted during the document review and interaction with management that the factory has not conducted basic health check-ups for its employees.

Corrective and preventative actions
The facility ensures to conduct the medical checkup for all requires area.

Local law reference
In accordance with the Bio-Medical Waste Management Rules 2016, Section 4 – Duties of the occupier, It shall be the duty of every occupier to, (m) conduct health check up at the time of induction and at least once in a year for all its health care workers and others involved in handling of bio- medical waste and maintain the records for the same.

Status
Open*

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.A Ensure a safe working environment. Put in place adequate controls to prevent accidents and injury (including long-term injury) to health arising out of, associated with, or occurring in the course of work.

Issue title
397 - Childcare facilities are not provided in alignment with legal requirements

Description
It was noted during the facility tour that the facility employs 62 female workers; however, it has failed to provide a childcare area or crèche room as required by applicable legal regulations.

Corrective and preventative actions
The facility has acknowledged this non-compliance and has committed to establishing a dedicated childcare/crèche room in accordance with legal requirements.

Status
Open*

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

Local law reference

In accordance with the Factories Act 1948, Chapter V Welfare, Section 48 – Crèches, (1) In every factory wherein more than 177[thirty women workers] are ordinarily employed there shall be provided and maintained a suitable room or rooms for the use of children under the age of six years of such women. In accordance with the Maternity Benefit Act 1961, Section 11 A - 36[Creche facility, (1) Every establishment having fifty or more employees shall have the facility of crèche within such distance as may be prescribed, either separately or along with common facilities: Provided that the employer shall allow four visits a day to the creche by the woman, which shall also include the interval for rest allowed to her. (2) Every establishment shall intimate in writing and electronically to every woman at the time of her initial appointment regarding every benefit available under the Act.]

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.K Ensure that all premises are safe and have valid safety certifications for their current layout and use. If it is currently not possible for a required license or certificate to be obtained, implement inspections by appropriate third parties to ensure building safety.

Issue title
261 - Premises require minor repairs that may affect personal safety (e.g. missing handrails)

Description
It was noted during the facility tour that the staircase leading to the first floor does not have handrails installed.

Corrective and preventative actions
The facility has acknowledged the absence of handrails and has committed to installing them in accordance with legal requirement.

Local law reference
In Accordance with the Punjab Factories Rules 1952 Chapter IV Safety Section 66 Fire Protection (9) Fire exits (ee) Hand rails shall be provided with a minimum height of one hundred centimetres and shall be firmly supported.

Evidence
Handrails not installed on stairs..jpg

Status
Open*

Time given to resolve
60 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area
3 Working conditions are safe and hygienic

Status
Open*

Workplace requirement
3.O Implement an appropriate electrical safety program to ensure that electrical hazards are reduced and controlled by appropriately qualified personnel.

Issue title
220 - Failure to comply with legal requirements for electrical safety e.g. inspections

Description
It was noted during the document review and interaction with the management that the factory has not obtain the pressure vessel test report from the concern authority.

Corrective and preventative actions
The Facility ensures to obtain the pressure vessel test report from the concern authority.

Local law reference
In accordance with the Static and Mobile Pressure Vessels (Unfired) Rules 2016, Chapter III – Storage, Section 21 – General, (1) Except specifically provided in these rules, all vessels meant for storage of compressed gas shall be installed entirely above-ground, that is to say, no part of the vessel shall be buried below the ground level.

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.O Implement an appropriate electrical safety program to ensure that electrical hazards are reduced and controlled by appropriately qualified personnel.

Issue title
228 - Unsafe handling of electrical equipment e.g. no rubber mats in front of electricity panels

Description
It was noted during the facility tour that the facility has failed to provide rubber insulating mats around the periphery of the electrical panel and beneath the DG (diesel generator) set, which is located on the terrace. This may pose an electrical and operational safety risk to workers.

Corrective and preventative actions
The facility has acknowledged the observation and committed to installing rubber insulating mats around the electrical panel and beneath the DG set in accordance with safety standards and statutory requirements.

Status
Open*

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

Local law reference

According to Section 30 of Indian Electricity Rules, 1956: Service lines and apparatus on consumer's premises- (1) The supplier shall ensure that all electric supply lines, wires, fittings and apparatus belonging to him or under his control, which are on a consumer's premises, are in a safe-condition and in all respects fit for supplying energy and the supplier shall take due precautions to avoid danger arising on such premises from such supply lines, wires, fittings and apparatus (2) Service-lines placed by the supplier on the premises of a consumer which are underground or which are accessible shall be so insulated and protected by the supplier as to be secured under all ordinary conditions against electrical, mechanical, chemical or other injury to the insulation (3) The consumer shall, as far as circumstances permit, take precautions for the safe custody of the equipment on his premises belonging to the supplier (4) The consumer shall also ensure that the installation under his control is maintained in a safe condition.

Evidence

Electric Panel (2).jpg
Dg set.jpg

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.M Ensure all machinery is installed, maintained, and used in a safe manner.

Issue title
264 - Machines lack appropriate safety guards (e.g. eye or needle guards on sewing machines, belt/hand guards on other machines)

Description
It was observed during the factory tour that 20% of the stitching machines in the production area were missing needle guards, and the belt guard was not installed on the compressor.

Corrective and preventative actions
The facility ensures to installation of the needle guard for all stitching machines, and the belt guard on the compressor.

Local law reference
In Accordance with the Punjab Factories Rles 1952 Chapter IV Safety Section 55. Further safety precautions (1) Without prejudice to the provisions of sub-section (1) of section 21 in regard to the fencing of machines, the further precautions specified in Schedules 36[I to VII]37 annexed hereto shall apply to the machines noted in each Schedule.

Evidence

No Needle guard installed on Stitching Machine..jpg
Belt gurad not installed on Compressor.jpg

Status
Open*

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

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ZAF-

Non-compliance

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.G Provide sufficient first-aid supplies onsite, and ensure that adequately trained personnel are available during all shifts.

Issue title
289 - First aid box available but contents are missing, out of date or otherwise inadequate

Description
It was noted during the facility tour that the facility has failed to display the list of medicine contents in the first aid boxes located on the basement floor (cutting area) and the second floor (stitching area).

Corrective and preventative actions
The facility acknowledged the observation and confirmed that it will address the issue by displaying the first aid box content list at the identified missing location.

Local law reference
In accordance with the Factories Act 1948Chapter IV Safety Section 45. First-aid appliances 164[Nothing except the prescribed contents shall be kept in a first-aid box or cupboard.

Evidence
No Content list displayed near first aid box.jpg

Status
Open*

Time given to resolve
60 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.O Implement an appropriate electrical safety program to ensure that electrical hazards are reduced and controlled by appropriately qualified personnel.

Issue title
220 - Failure to comply with legal requirements for electrical safety e.g. inspections

Description
It was noted during the document review and interaction with management that the factory has not obtained the DG installation certificate from the Electrical Department

Corrective and preventative actions
The facility ensures to obtain the DG installation certification from the electrical department.

Status
Open*

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

Local law reference

In accordance with Indian Electricity Rules 1956, Rule 47(a), Installation and Testing of Generating Units-
Where any consumer or occupier installs a generating plant, he shall give a thirty days' notice of his intention to commission the plant to the supplier as well as the Inspector.
Provided that no consumer or occupier shall commission his generating plant of a capacity exceeding 10KW without the approval in writing of the Inspector.]

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ZAF-

Non-compliance

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.N Maintain a log of all hazardous substances (e.g. chemicals and pesticides) on site. Ensure that these are managed appropriately at all times in line with safety instructions, including storage, use and disposal.

Issue title
230 - No material safety data sheet (MSDS) obtained/available

Description
It was noted during the facility tour that the facility failed to display the Material Safety Data Sheets (MSDS) at the basement floor near the chemical storage area and on the terrace near the diesel storage area.

Corrective and preventative actions
The facility has acknowledged the observation and committed to displaying the MSDS for all chemicals and diesel stored at the relevant areas.

Local law reference
In Accordance With the Punjab Factories Rules 1950 Chapter IV Safety Section 67-J. Collection, development and dissemination of information a) The occupier or every factory carrying on a hazardous process shall arrange to obtain or develop detailed information in the form the Material Safety Data Sheet (MSDS) prescribed in Form No. 8-C in respect of every hazardous substance or material handled in the manufacture, transportation and storage in the factory. It shall be accessible upon request to a worker for reference.

Evidence
Chemical Storage .jpg
Diesel Storage.jpg

Status
Open*

Time given to resolve
60 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area
3 Working conditions are safe and hygienic

Status
Open*

Workplace requirement
3.L Implement effective processes to manage fire safety including, but not limited to, accessible evacuation routes, a fire detection system, fire fighting/suppression equipment, training and regular drills covering all shifts and warning systems.

Issue title
209 - Not all emergency exits are properly marked and lighted

Description
It was noted during the factory tour that the factory has not installed industrial emergency lights on the staircase from the first floor to the second floor of the building.

Corrective and preventative actions
The facility ensures to install the industrial emergency lights on staircases also

Local law reference
In Accordance with the Punjab Factories Rules 1952 Chapter IV Safety Section 66 Fire Protection (9) Fire exits (e) The exits shall be clearly visible and suitable illuminate with suitable arrangements irrespective of the fact that whatever artificial lighting is to be adopted for this purpose, to maintain the required illumination in case of failure of the normal source of electric supply.

Evidence
No Emergency light on stairs.jpg

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.N Maintain a log of all hazardous substances (e.g. chemicals and pesticides) on site. Ensure that these are managed appropriately at all times in line with safety instructions, including storage, use and disposal.

Issue title
240 - No/inadequate safety measures/anti-explosion measures for chemicals (e.g. no anti-leaking system/secondary container/unbunded)

Description
It was noted during the facility tour that the facility has not provided secondary containers in the basement floor chemical storage area and the terrace diesel storage area.

Corrective and preventative actions
The facility has acknowledged the observation and has committed to providing secondary containers in both the basement floor chemical storage area and the terrace diesel storage area in accordance with legal requirement.

Status
Open*

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

Local law reference

In accordance of Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008-CHAPTER II-PROCEDURE FOR HANDLING HAZARDOUS WASTES-(5)The occupier shall take all adequate steps while handling hazardous wastes to:(i) contain contaminants and prevent accidents and limit their consequences on human beings and the environment; and (ii) provide persons working on the site with the training, equipment and the information necessary to ensure their safety. 7. Storage of Hazardous Waste. (1) The occupiers, recyclers, re-processors, re-users, and operators of facilities may store the hazardous wastes for a period not exceeding ninety days and shall maintain a record of sale, transfer, storage, recycling and reprocessing of such wastes and Crake these records available for inspection: Provided that the State Pollution Control Board may extend the said period in following cases, namely:- (i) small generators up to ten tones per annum; (ii) recyclers, re-processors and facility operators up to six months of their annual capacity; (iii) generators who do not have access to any Treatment, Storage, Disposal Facility in the concerned State; or (iv) the waste which needs to be specifically stored for development of a process for its recycling, reuse. 19. Packaging and labeling.- (1) The occupier or operator of the Treatment, Storage and Disposal Facility or recycler shall ensure that the hazardous waste are packaged and labeled, based on the composition in a manner suitable for safe handling, storage and transport as per the guidelines issued by the Central Pollution Control Board from time to time. (2) The labelling and packaging shall be easily visible and be able to withstand physical conditions and climatic factors

Evidence

Diesel Storage.jpg
Chemical Storage .jpg

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area

3 Working conditions are safe and hygienic

Workplace requirement

3.H Where identified as necessary to reduce residual risk, provide (without charge to workers) and ensure the use of appropriate personal protective equipment (PPE).

Issue title

278 - Personal Protective Equipment (PPE) provided but incidents of workers not using PPE where appropriate

Description

It was noted during the factory tour that the factory has provided PPE (Personal Protective Equipment); however, the cutting employee was not using metal hand gloves. Nevertheless, the factory is providing PPE training to all employees.

Corrective and preventative actions

The facility ensures to provide the effective training for all workers to using the PPE kit.

Local law reference

In Accordance with the Punjab Factories Rules 1950 Chapter IV Safety Section 67-K. Disclosure of information to workers (1) The occupier of a factory carrying on a hazardous process shall supply to all workers the following information in relation to handling of hazardous materials o substances in the manufacture, transportation, storage and other processes: (g) personal protective equipment required to be used by workers employed in hazardous process or dangerous operations.

Status

Open*

Time given to resolve

30 days

Verification method

Desktop audit

Area of non-compliance/non-conformance

Local law

Base code

Evidence
No PPE Worn.jpg

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area
3 Working conditions are safe and hygienic

Workplace requirement
3.N Maintain a log of all hazardous substances (e.g. chemicals and pesticides) on site. Ensure that these are managed appropriately at all times in line with safety instructions, including storage, use and disposal.

Issue title
242 - No/inadequate eye wash/shower station in hazardous environments including chemical areas

Description
It was noted during the facility tour that the facility has not installed eye wash stations at the ground floor sporting section and the basement chemical storage area.

Corrective and preventative actions
The facility has acknowledged the observation and committed to installing eye wash stations at both the ground floor sporting section and the basement chemical storage area in accordance with legal requirement.

Local law reference
In Accordance with the Punjab Factories Rules 1950 Chapter IV Safety Section 67-S. Decontamination facilities (c) a sufficient number of eye wash bottles filled with distilled water or suitable liquid, kept in boxes or cupboards conveniently situated and clearly indicated by a distinctive sign which shall be visible at all times.

Status
Open*

Time given to resolve
30 days

Verification method
Desktop audit

Area of non-compliance/non-conformance
Local law
Base code

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area
5.A Living wages are paid

Status
Open*

Workplace requirement
5.A.A Review workers' total pay including benefits and compare it with a credible 'living wage' to calculate a 'living wage gap', and understand what proportion of the workforce has a gap.

Issue title
903 - CAR: A living wage gap analysis has not been completed

Description
It was noted during the document review and interaction with management that the facility has not completed the living wage gap analysis.

Corrective and preventative actions
The facility has acknowledged the observation and agreed to conduct a living wage gap analysis.

Time given to resolve

Verification method
Collaborative action required

Area of non-compliance/non-conformance
Base code

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

ZAF-

Non-compliance

Code area
5.A Living wages are paid

Workplace requirement
5.A.B Put in place a wage improvement plan that aims to pay workers a living wage within a stated timeframe.

Issue title
905 - CAR: A wage improvement plan (with Living Wage as the goal) has not been completed

Description
It was noted during the document review and interaction with management that the facility has failed to implement a wage improvement plan that aims to pay workers a living wage within a stated timeframe.

Corrective and preventative actions
The facility has acknowledged the observation and has committed to developing and implementing a wage improvement plan.

Status
Open*

Time given to resolve

Verification method
Collaborative action required

Area of non-compliance/non-conformance
Base code

* PDF generated at 12:14 (UTC) on 24 Apr 2025. View this finding on the Sedex platform for live updates and closure details.

Findings: good examples

No good examples

Management systems

	Policies and procedures	Resources	Communication and training	Monitoring
1. Employment is freely chosen	✓	ⓘ	✓	✓
1.A. Responsible recruitment and entitlement to work	✓	ⓘ	ⓘ	ⓘ
2. Freedom of association and right to collective bargaining are respected	✓	ⓘ	✓	ⓘ
3. Working conditions are safe and hygienic	ⓘ	ⓘ	ⓘ	ⓘ
4. Child labour shall not be used	✓	✓	ⓘ	ⓘ
5. Legal wages are paid	ⓘ	✓	ⓘ	ⓘ
6. Working hours are not excessive	ⓘ	✓	✓	✓
7. No discrimination is practiced	✓	ⓘ	ⓘ	ⓘ
8. Regular employment is provided	✓	✓	ⓘ	ⓘ

✗ Not addressed

⚠ Fundamental improvements required

ⓘ Some improvements recommended

✓ Robust management systems

	Policies and procedures	Resources	Communication and training	Monitoring
8.A. Sub-contracting and homeworkers are used responsibly	✓	✓	ⓘ	✓
9. No harsh or inhumane treatment is allowed	ⓘ	✓	ⓘ	ⓘ
10.A. Environment 2-Pillar	ⓘ	ⓘ	ⓘ	ⓘ
10.C. Business ethics	✓	✓	ⓘ	ⓘ

✗ Not addressed

⚠ Fundamental improvements required

ⓘ Some improvements recommended

✓ Robust management systems

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 re-record actions taken and to categorise the status of the non-compliances/ non-conformances.

Good practice examples should be pointed out at the closing meeting as well as discussing non-compliances/ non-conformances and corrective actions, Collaborative Action Required findings and the Management Systems Assessment.

Next steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, NCs, CARs, MSA and good examples. If you have not already received instructions on how to do this then please visit the Sedex Members' E-learning Platform.
2. Sites shall action its NCs and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request that the audit body verify its actions. Please visit Sedex Members' E-learning Platform 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 the Sedex Platform or by Follow-up Audit.
5. Some NCs that cannot be closed off by "Desk-Top" review may need to be closed off via a "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 NC. Any follow-up audit must take place within twelve months of the previous initial/periodic audit and the information from the previous 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).
7. The site shall develop and share with Sedex an action plan to work on CAR findings, and take actions to work on these areas as identified.

8. The site should use the MSA gradings to help to improve internal systems, focusing where their systems are weakest and the risks of harm are highest. These actions should better prepare them for future audits and help sustain compliance.

Management Systems Assessment (MSA)

A management system is defined as a comprehensive framework comprising of processes, policies, procedures, and tools that are strategically designed and implemented within a business to plan, organise, execute, monitor, and continuously improve its activities. Management systems are the systems that underpin how a company runs its day-to-day operations, makes decisions, and helps avoid the recurrence of common problems.

Where management systems are weak a site is at higher risk of non-compliance over time, the SMETA MSA can help sites to proactively reduce the likelihood of risks occurring. Sites should take actions commensurate with their size and resources, focusing on where their systems are weakest and the likelihood of risks is highest, based on their sector, location and workforce profile.

The MSA Grades do not result in NCs, and will not be re-assessed in follow-up audits.

For more information on Management Systems please refer to the Management Systems Workbooks.

Collaborative Action Required

The SMETA Workplace Requirements identify certain specific issues where a site may not meet the Base Code, but the usual mechanisms of NC verification and closure are not appropriate, for some or all of the following reasons;

- The audited party does not have the capacity/ responsibility to close the issue without support from other relevant stakeholders, such as commercial partners/buyers.
- Remediation of the issue requires an indeterminate and possibly extended timeframe, rather than a predetermined deadline as set within the Sedex platform.
- There is a risk of adverse consequences if closure of a particular issue is not approached with due consideration and time provided for adequate risk assessment.
- Evidencing effective remediation is complex and it is outside the capacity of existing SMETA methodology to validate through evidence provided during an onsite assessment alone.

These specific WRs have a Collaborative Action Required (CAR) finding raised against them.

Collaborative Action Required findings require a different way of working from other NCs for buyer and supplier members. The activities required to close these issues may involve actions from both buyers and suppliers, as well as additional stakeholders such as third-party labour providers, impacted workers, local NGOs, and trade unions. Due to the complexity of the issues and the spectrum of potential stakeholders that may need to act, CARs may need long-term closure plans, potentially spanning multiple years. To facilitate a longer-term approach and to reduce the likelihood of undue pressure on suppliers to close issues that may be out of their control, Sedex does not prescribe a closure date nor a verification methodology for these findings. Sedex encourages all its members to work collaboratively and responsibly on these issue areas, sharing responsibilities and actions as appropriate.

When developing a methodology to prioritise action on these more complex areas, Sedex recommends following a due diligence process and prioritising activities based on the most salient risks.

For Suppliers

Where CARs are raised suppliers should create an action plan for how they are going to address these areas. Sedex also recommends suppliers reach out to their buying partners to understand their expectations on these issues and start a constructive dialogue. The action plans can be uploaded on to the Sedex platform, which will change the status of the CAR finding from “open” to “in progress”. Management and assessment of action plans is encouraged as an activity between linked buyer and supplier members.

For Buyers

Where CARs are raised buyer members should prioritise resolution of these issues based on a salient risk approach. Buyers should assess their own roles and responsibilities in the closure of these findings, especially considering any increased financial costs and how these may relate to the buyers own purchasing practices. Buyers should work with suppliers to ensure that closure plans are realistic, taking a long-term approach to improvement where it is necessary, and working with multi-stakeholder initiatives, NGOs, Trade Unions and other third parties to address these issues, which may be widespread. In the interests of enabling transparency, collaboration and long-term effective remediation, the application of commercial penalty against suppliers where these issues are identified and action plans are in place is not encouraged.

For Auditors

Auditors will assess whether the CARs are met through the SMETA audit process and raise the findings where relevant. Auditors will not assess the action plans shared or provide guidance on closure methodology, due to the limitations of assessing scope and responsibilities through a supplier site assessment alone. CAR findings will be superseded and closed in periodic audits. The auditor will assess the Workplace Requirements anew and raise a CAR in following audits until there is no longer a finding to raise.

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For more information visit https://www.sedex.com