



Sedex Members Ethical Trade Audit Report

Version 6.1



Audit Details				
Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC423400434	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS423400436	
Business name (Company name):	H&H Healthcare And Cosmetics Pvt. Ltd.			
Site name:	H&H Healthcare And Cosmetics Pvt Ltd			
Site address:	H&H Healthcare And Cosmetics Pvt. Ltd. Plot No.51, SMART INDUSTRIAL PARK, NEAR NATRIP PITHAMPUR INDORE (M.P.) 454775 IN	Country:	IN	
Site contact and job title:	Mr. Vikas Tiwari / Manager - HR & Administration			
Site phone:	7767993856	Site e-mail:	gaurav.pathak@hnhhealthcare.in	
SMETA Audit Pillars:	☒ Labour Standards	☒ Health and Safety (plus Environment 2-Pillar)	☒ Environment 4-pillar	☒ Business Ethics
Date of Audit:	2023-10-19			

Audit Company Name:
UL Responsible Sourcing

Audit Conducted By					
Affiliate Audit Company	☒	Purchaser	☐	Retailer	☐
Brand owner	☐	NGO	☐	Trade Union	☐
Multi-stakeholder	☐	Combined Audit (select all that apply)			

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.

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:	Md Tofael Hossain	APSCA Number:	21702701
Additional Auditors:	Bhupendra Singh		32200850
Date of declaration:	2023-10-20		

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:	Mr. Vikas Tiwari
Title:	Manager - HR & Administration
Date of declaration:	2023-10-20
Comments: <i>Any exceptions to this must be recorded here (e.g. different sample size): 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). 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>	
Agreed. For the observation inward opening door (As per GMP and as per regulatory guidelines to maintain pressure difference between the area and these doors are opening inward.)	

Summary of Findings

Issue (please click on the issue title to go direct to the appropriate audit results by clause)	Area of Non-Conformity		Number of issues			Findings
	ETI	Local Law	NC	Obs	GE	
<u>0A - Universal rights covering UNGP</u>			0	0	0	
<u>0B - Management systems and code implementation</u>	0.B.4	§1	1	0	0	NC - ZAF600220381
<u>1 - Freely chosen employment</u>			0	0	0	
<u>2 - Freedom of association and right to collective bargaining are respected</u>			0	0	0	
<u>3 - Working conditions are safe and hygienic</u>	3.1	§2	0	1	0	Obs - ZAF600220385
<u>4 - Child labour shall not be used</u>			0	0	0	
<u>5 - Living wages are paid</u>	5.1	§3	1	0	2	NC - ZAF600220384 GE - ZAF600220386 GE - ZAF600220387
<u>6 - Working hours are not excessive</u>	6.3 6.6	§4 §5	2	0	0	NC - ZAF600220382 NC - ZAF600220383
<u>7 - No discrimination is practiced</u>			0	0	0	
<u>8 - Regular employment is provided</u>			0	0	0	
<u>8A - Subcontracting and homeworking</u>			0	0	0	
<u>9 - No harsh or inhumane treatment is allowed</u>	9.2	§6	1	0	0	NC - ZAF600220380
<u>10A - Entitlement to work and immigration</u>			0	0	0	
<u>10B2 - Environment 2-pillar</u>			0	0	0	
<u>10B4 - Environment 4-pillar</u>			0	0	0	
<u>10C - Business ethics 4-pillar</u>			0	0	0	

Local Law Issues

Issue	Description
§1	In accordance with the condition mentioned in the factory license number 189/17616/DHR/2m(i)/H, allowed for 100 employees and 500 horsepower, valid till December 31, 2023.
§2	Madhya Pradesh Factories Rules (1962), Rule 72(9)(u) Exit doorways shall open outwards, that is, away from the room but shall not obstruct the travel along any exit. No door when opened shall reduce the required width of a stairway or landing too less than 90 cm. Overhead or sliding doors shall not be installed for this purpose.

§3	1. For ESI: Employees' State Insurance (General) Regulation (1950), Amendment (2005), Reg. 31 Employees' State Insurance (General) Amendment Regulation, 2017, Regulation 31, An employer who is liable to pay contributions in respect of any employee shall pay those contributions within {15 days} 21 days of the last day of the calendar month in which the contributions fall due; Provided that where a factory/establishment is permanently closed, the employer shall pay contribution on the last day of its closure: Provided that an employer may opt, in such manner as may be prescribed, by the Director-General for payment of amount in advance towards contribution to be adjusted against contributions payable by him (including employees' contribution) for a wage period so that the balance of advance amount continues to be more than the contributions due and payable at the end of the concerned wage period. Such an employer shall furnish in the prescribed proforma (Form 6A), a six-monthly statement of contributions payable and paid in advance with the balance left at the end of each month along with return of contributions to the appropriate Regional Office of the Corporation. 2. For PF: Employees Provident Fund & Misc. Provisions Act 1952, by circular No. E11/128 (section 14-B Amendment)/73 dated 24-10-1973. five days of grace period has been allowed to employers for payment of Provident Fund contributions by clause (iii) of CPFC'S Circular No.E.128(1) 60-III dated 19-3-1964 as modified by circular No. E11/128 (section 14-B Amendment)/73 dated 24-10-1973. vide notification No WSU/9(1)2013/SETTLEMENT 35631 DATED 08/JAN/2016 THE GRACE PERIOD HAVE BEEN WITHDRAWN Now the employer are under liability to pay the PF contribution by 15th of Every Month.
§4	Factories Act (1948), Sec. 52(1)], No adult worker shall be required or allowed to work in a factory on the first day of the week [Sunday], unless,- (a) he has or will have a holiday for a whole day on one of the three days immediately before or after the said day. (b) the manager of the factory has, before the said day or the substituted day under clause (a), whichever is earlier,-- (i) delivered a notice at the office of the Inspector of his intention to require the worker to work on the said day and of the day which is to be substituted, and (ii) displayed a notice to that effect in the factory: Provided that no substitution shall be made which will result in any worker working for more than ten days consecutively without a holiday for a whole day.
§5	Factories Act (1948), Sec.59(1), Where a worker works in a factory more than nine hours in a day or more than forty-eight hours in a week, he shall be entitled to wages at the rate of twice his ordinary wages.
§6	[Industrial Disputes Act (1947), Amendment (2010), Sec. 9C(1-4)] (I) Every industrial establishment employing twenty or more workmen shall have one or more Grievance Redressal Committee for the resolution of disputes arising out of individual grievances. (2) The Grievance Redressal Committee shall consist of equal number of members from the employer and the workmen.

Site Details

Site Details		
Company Name	H&H Healthcare And Cosmetics Pvt. Ltd.	
Site Name	H&H Healthcare And Cosmetics Pvt Ltd	
GPS location (if available)	GPS Address:	Smart Industrial Park, MP
	Coordinates:	22.34'29"N 75.35'17"E
Applicable business and other legally required licence numbers and documents, for example, business license number, liability insurance, any other required government inspections	Factory license No: 189/17616/DHR/2m(i)/H, allowed for 100 EE and 500 H.P. , valid till December 31, 2023. Fire Noc No: 6100009863/FNOC/COL/2023/5905, covered area 43405 (sq. meters), valid till May 16, 2026. Pollution consent No: AWH-57977, PCB ID-17649, consolidated for Air, water and Hazardous waste, valid till February 02, 2028.	
Products/Activities at site, for example, garment manufacture, electricals, toys, grower, cutting, sewing, packing etc	Manufacturing of Food supplements & Nutraceuticals products and production dispensing, shifting, blending, granulation, compression, coating, in-capsulation, filling, and packing.	
Site description: (Include size, location, and age of site. Also, include structure and number of buildings)	The facility was constructed in 2022 and started its operation commercially in July 2023. Total land area is 44515.4 square meters. And the buildup area is 16610 square meters. The factory operated from 04 buildings.	

Structure and number of buildings	Building Name:		Building-1 (Admin Building)
	Floor	Description	Remark
	Ground floor	Warehouse, Raw material store, packing areas, Finished goods materials area, office area.	Nil
	1st floor	Soft Gel Capsule filling section, Dispensing section, office area.	Nil
	2nd floor	Wet Granulation, dry Granulation, drying, Milling, Compression, Coating, Capsule filling, Blending, office area.	Nil
	Building Name:		Building-2 (Utility Building)
	Floor	Description	Remark
	Ground floor	Compressor area, DG set, Boiler section, Canteen, Transformer section, Electrical panel room.	Nil
	1st floor	Water purified system, water chiller.	Nil
	Building Name:		Building-3 (ETP building)
	Floor	Description	Remark
	Ground floor	ETP area, Hazardous waste collection area.	Nil
	Building Name:		Building-4 (Security building)
	Floor	Description	Remark
	Ground floor	Medical room, creche, security room, visitor rest area.	Nil
Visible structural integrity issues (large cracks) observed?	☐ Yes ☒ No Please give details: None observed		
Does the site have a structural engineer evaluation?	☒ Yes ☐ No Please give details: Building stability certificate: Inspected by 'INSPECTTA' in form 2, Certificate No: HHHCCPL/01/040323, Issue date- 04/03/2023.		

Site function	☐ Agent ☐ Finished Product Supplier ☐ Homeworker ☐ Pack house ☐ Service Provider	☒ Factory Processing/Manufacturer ☐ Grower ☐ Labour Provider ☐ Primary Producer ☐ Sub-contractor
Months of peak season	Select a month to Select a month	
Process overview	Manufacturing of Food supplements & Nutraceuticals products and production dispensing, shifting, blending, granulation, compression, coating, in-capsulation, filling, and packing. Following machines used in production: Sifters machine, Blender's machine, Fluid bed processor, Rapid mixer granulator, Auto coater machine, Compression machine, Coating machine, In-capsulation machine, Gelatin service and melting tank, Medica preparation tank, Augar filling machine, Form filling and sealing machine, Counting filling machine, Blister machine, Alu Alu Packing machine, Strip packing machine.	
What form of worker representation is there on site?	☐ Union ☐ Other	☒ Worker Committee ☐ None
Please give details:	The Worker's committee is elected, and the election is conducted on September 09, 2023. The committee has a validity period till September 09, 2025. Total members 05 (All workers). The meeting had conducted quarterly, and the last 01 conducted on September 11, 2023.	
Is there any night production work at the site?	☐ Yes ☒ No	
Are there any on site provided worker accommodation buildings	☐ Yes ☒ No Please give details:	
Are there any off site provided worker accommodation buildings	☐ Yes ☒ No Please give details:	
Were all site provided accommodation buildings included in this audit	☐ Yes ☒ No Please give details: No onsite or offsite accommodation is provided by the facility for their employees and it is not mandatory by the local law.	

Audit Parameters					
Time in and time out	Day 1		Day 2		
	In	10:15	In	10:10	
	Out	17:32	Out	16:30	
Audit type:	FULL_INITIAL				
Was the audit announced?	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	Mr. Vikas Tiwari / Manager - HR & Administration				
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>	Factory does not have a union and it is not legally mandatory.		
<i>Reason for absence during the audit</i>	Factory does not have a union and it is not legally mandatory.		
<i>Reason for absence at the closing meeting</i>	Factory does not have a union and it is not legally mandatory.		

Worker Analysis

The term "migrant worker" refers to a person who is engaged or has been engaged in a remunerated activity in a country of which they are not a national or permanent resident or has purposely migrated on a temporary basis to another in-country region to seek and engage in a remunerated activity.

Worker Analysis								
	Local			Migrant*			Home workers	Total
	Permanent	Temporary	Agency	Permanent	Temporary	Agency		
Worker numbers – male	83	0	71	0	0	0	0	154
Worker numbers – female	13	0	3	0	0	0	0	16
Total	96	0	74	0	0	0	0	170
Number of Workers interviewed – male	10	0	14	0	0	0	0	24
Number of Workers interviewed – female	0	0	2	0	0	0	0	2
Total – interviewed sample size	10	0	16	0	0	0	0	26

Nationalities Structure		
Nationality of Management	Indian	
Please list the nationalities of all workers, with the three most common nationalities listed first.	Nationality 1: Indian	approx %: 100%
Was this list completed during peak season?	☒ Yes ☐ No Please give details:	
Worker remuneration	Workers on piece rate:	0%
	Paid hourly:	0%
	Salaried:	100%
Payment cycle	Paid daily:	0%
	Paid weekly:	0%
	Paid monthly:	100%
	Other:	0%
	Details for other:	N/A

Worker Interview Summary	
Were workers aware of the audit?	☒ Yes ☐ No
Were workers aware of the code?	☒ Yes ☐ No
Number of group interviews:	4 groups of 5 employees total 20.
Number of individual interviews:	Male: 6 Female: 0
All groups of workers are included in the scope of this audit such as; Direct employees, Casual and agency workers, Workers employed by service providers such as security and catering staff as well as workers supplied by other contractors.	☒ Yes ☐ No Please give details:
Interviews were done in private and the confidentiality of the interview process was communicated to the workers?	☒ Yes ☐ No
In general, what was the attitude of the workers towards their workplace?	☒ Favorable ☐ Non-favourable ☐ Indifferent
What was the most common worker complaint?	None reported during the assessment
What did the workers like the most about working at this site?	Regular employment, timely payment and respectful & safe working conditions.
Any additional comment(s) regarding interviews:	None
Attitude of workers to hours worked:	Working hour is flexible and comfortable not that much overtime. However, they are getting enough remuneration.
Is there any worker survey information available?	☐ Yes ☒ No Please give details:

Attitude of workers:

Permanent workers confirmed that all working hours were recorded through face scan and contractor's workers confirmed that their attendance recorded through manual register. They also stated in case of miss punch correction is possible, but they need to get in touch with HR for this. All interviewed workers confirmed getting more than applicable minimum wages. During the formal interview, the workers seemed comfortable working in this factory. No worker complained of any unreasonable restrictions, shouting, or other adverse working environment conditions. Instead, they find working condition very congenial, respectful. They find it very neat and clean. There was no disciplinary deduction made or retention of deposit reported by the workers during this audit. Also, it was informed that they are free to communicate with management on need basis. All workers confirmed that wages are calculated on monthly basis and paid within 7 working days of the following month. They confirmed that fire drills were conducted. Workers confided that they do overtime work on regular days when required and also, they work on weekends in case of urgent consignment. Mostly they are content with working conditions provided and wages and benefits extended. They will be happy if salary is further increased considering current inflation.

Attitude of worker's committee/union reps:

Worker representative confirmed that employees in the facility have not voluntarily formed or associated with any union. They are content with existing worker-management committees. He confirmed that management is serious and actively involves in resolution.

Attitude of managers:

Management was willing to improve and learn. They actively participated during audit process.

0A - Universal Rights covering UNGP
[Summary of Findings]

0A: Compliance Requirements

0.A.1 Businesses should have a policy, endorsed at the highest level, covering human rights impacts and issues, and ensure it is communicated to all appropriate parties, including its own suppliers.

0.A.2 Businesses should have a designated person responsible for implementing standards concerning Human rights

0.A.3 Businesses shall identify their stakeholders and salient issues.

0.A.4 Businesses shall measure their direct, indirect, and potential impacts on stakeholders (rights holders) human rights.

0.A.5 Where businesses have an adverse impact on human rights within any of their stakeholders, they shall address these issues and enable effective remediation.

0.A.6 Businesses shall have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter. Note for auditors and readers. This is not a full Human Rights Assessment, but instead a check on the business's implementation of processes to meet their Universal rights covering UNGP responsibilities.

Current Systems and Evidence Examined

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

Current Systems:

The facility has social and environmental compliance policy, also covering human right and endorsed at highest level. HR, MR, and safety department leaders are responsible for developing and implement relevant policies.

Evidence examined:

Details review of social and environment compliance policy, training documents, management, and worker's interview.

Any other comments:

None

Policy statement that expresses commitment to respect human rights?	☒ Yes ☐ No Please give details: The facility has HR policy manual which expresses commitment to respect human rights.
Are the policies included in workers' manuals?	☒ Yes ☐ No Please give details: All the polices related to worker responsibilities and benefits are included in the worker manual.
Does the business have a designated person responsible for implementing standards concerning Human Rights?	☒ Yes ☐ No Please give details: Mr. Vikas Tiwari - Manager (Human Resource & Administration)
Does the business have a transparent system in place for confidentially reporting, and dealing with human rights impacts without fear of reprisals towards the reporter?	☒ Yes ☐ No Please give details: The facility has various channels to support transparent systems for reporting. This includes suggestion box, grievance officer, WR and open-door policy.

Does the grievance mechanism meet UNGP expectations? (Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement)	☒ Yes ☐ No	
Does the business demonstrate effective data privacy procedures for workers' information, which is implemented?	☒ Yes ☐ No Please give details: All information is in the safe custody of the HR department and is not disclosed to unauthorized persons.	
Measuring Workplace Impact		
Annual worker turnover(Number of workers leaving in last 12 months as a % of average total number of workers on site over the year (annual worker turnover))	Last year	0.0%
	This year	3.5%
Current % quarterly (90 days) turnover(Number of workers leaving from the first of the 90 day period through to the last day of the 90 day period / [(number of employees on the 1st day of 90 day period + number of employees on the last day of the 90 day period) / 2])	2.0%	
Annual % absenteeism(Number of days lost through job absence in the year / [(number of employees on 1st day of the year + number employees on the last day of the year) / 2] * number available workdays in the year)	Last year	0.0%
	This year	2.0%
Quarterly (90 days) % absenteeism(Number of days lost through job absence in the period / [(Number of employees on 1st of the period + Number of employees on the last day of the period / 2] * Number of available workdays in the month)	1.8%	
Are accidents recorded?	☒ Yes ☐ No Please give details: No accident noted or reported till now.	
Annual Number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	Last year	0.0%
	This year	0.0%
Quarterly (90 days) number of work related accidents and injuries per 100 workers((Number of work related accidents and injuries * 100) / Number of total workers)	0.0%	
Lost day work cases per 100 workers([(Number of lost days due to work accidents and work related injuries * 100) / Number of total workers)	Last year	0.0%
	This year	0.0%

% of workers that work on average more than 48 standard hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%
% of workers that work on average more than 60 total hours / week in the last 6 / 12 months	6 month	0.0%
	12 month	0.0%

0B - Management Systems and code Implementation
[Summary of Findings]

0B: Compliance Requirements

0.B.1 Suppliers are expected to implement and maintain systems for delivering compliance to this Code.
0.B.2 Suppliers shall appoint a senior member of management who shall be responsible for compliance with the Code.
0.B.3 Suppliers are expected to communicate this Code to all employees.
0.B.4 Suppliers are expected to be operating legally in premises with the correct business licenses and permissions and to have systems to ensure that all relevant land rights have been complied with.
0.B.5 Suppliers should communicate this code to their own suppliers and, where reasonably practicable, extend the principles of this Ethical Code through their supply chain.

Current Systems and Evidence Examined

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

Current Systems:

The facility has valid business license, approved lay out plan and occupancy certificate. It is located in an industrial area. The facility has bought this premise from the local authority after fulfilling all legal obligations. It does comply with all relevant land rights. It has ETI base code and is committed to compliance of the same. It is displayed in local language at prominent place for workers and has also been shared with supply chain. Signed copy as a token of receipt and acceptance from the supplier was available and verified.

Evidence examined:

Document review, training records, Factory tour, workers, and management interview.

Any other comments:

None

Management Systems

In the last 12 months, has the site been subject to any fines/prosecutions for non-compliance to any regulations?

☐ Yes ☒ No

Please give details:

The facility has not been subjected to any fines/prosecutions for non-compliance with regulations.

Do policies and/or procedures exist that reduce the risk of forced labour, child labour, discrimination, harassment & abuse?

☒ Yes ☐ No

Please give details:

The facility has written and documented policy in this regard. To ensure compliance, it is doing regular internal audit, monitoring and control.

If Yes, is there evidence (an indication) of effective implementation? Please give details.

The facility has written and documented policy in this regard. To ensure compliance, it is doing regular internal audit, monitoring and control.

Have managers and workers received training in the standards for forced labour, child labour, discrimination, harassment & abuse?

☒ Yes ☐ No

Please give details:

The factory provided different types of training to supervisors and management on forced labor, child labor, discrimination, harassment, and abuse. The last training was provided on October 14, 2023.

If Yes, is there evidence (an indication) that training has been effective e.g. training records etc.? Please give details	☒ Yes ☐ No Please give details: The training record is documented and it was verified.
Does the site have any internationally recognised system certifications e.g. ISO 9000, 14000, OHSAS 18000, SA8000 (or other social audits)?	☐ Yes ☒ No Please give details: N/A
Is there a Human Resources manager/department?	☒ Yes ☐ No Mr. Vikas Tiwari - Manager (Human Resource & Administration)
Is there a senior person /manager responsible for implementation of the code?	☒ Yes ☐ No Please give details: Mr. Vikas Tiwari - Manager (Human Resource & Administration)
Is there a policy to ensure all worker information is confidential?	☒ Yes ☐ No Please give details: The facility has a policy to ensure all worker information is confidential.
Is there an effective procedure to ensure confidential information is kept confidential?	☒ Yes ☐ No Please give details: The facility has an effective procedure to ensure confidential information is kept confidential.
Are risk assessments conducted to evaluate policy and procedure effectiveness?	☒ Yes ☐ No Please give details: Risk assessments are conducted by the facility to evaluate policy and procedure effectiveness.
Does the facility have a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks?	☒ Yes ☐ No Please give details: The facility has a process to address issues found when conducting risk assessments, including implementation of controls to reduce identified risks.
Does the facility have a policy/code which require labour standards of its own suppliers?	☒ Yes ☐ No Please give details: The facility has HR Manual.
Land Rights	
Does the site have all required land rights licenses and permissions (see SMETA Measurement Criteria)?	☒ Yes ☐ No Please give details: The site has all required land rights licenses and permissions.

Does the site have systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title?	☒ Yes ☐ No Please give details: The site has systems in place to conduct legal due diligence to recognize and apply national laws and practices relating to land title.
Does the site have a written policy and procedures specific to land rights?	☒ Yes ☐ No Please give details: The site has a written policy and procedures specific to land rights. It include any due diligence the company will undertake to obtain free, prior and informed consent.
Is there evidence that facility/site compensated the owner/lessor for the land prior to the facility being built or expanded?	☒ Yes ☐ No Please give details: The facility compensated the owner for the land prior to the facility being restructured. It was a paper factory before and then bought on resale.
Does the facility demonstrate that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts?	☒ Yes ☐ No Please give details: The facility demonstrates that alternatives to a specific land acquisition were considered to avoid or minimize adverse impacts. Buying an existing factory was in the best interest and least harm to locals and nature.
Is there any evidence of illegal appropriation of land for facility building or expansion of footprint?	☒ Yes ☐ No Please give details: All legal due diligence was undertaken.

Non-Compliance		Evidence																																		
[Back to findings summary]																																				
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	The renewed license copy receipt is expected by 10th December 2023. Please upload the renewed factory operational license if you have received it. This is the 1st attempt, next response will be your 2nd attempt. Company obtained factory license by 17/01/2024. license attached. Corrective action is accepted.	
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1 - Freely chosen Employment [Summary of Findings]

1: Compliance Requirements

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

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

Current Systems and Evidence Examined

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

Current Systems:

All interviewed employees stated that they are hired by the facility on a voluntary basis and no original documents are retained by the facility. During the interview, the employee stated that original documents are required only for one time verification at the time of recruitment. Also, he stated that they understand the voluntary nature of employment and overtime. Interviewed employees confirmed that they are not forced in any way to work in the facility and or no restriction on workers freedom to terminate employment was confirmed.

Evidence examined:

Workers and management interview. Appointment letter and company policies.

Any other comments:

None

Is there any evidence of retention of original documents, e.g. passports/ID' (If yes, please give details and category of workers affected)	☐ Yes ☒ No Please give details:
Is there any evidence of a loan scheme in operation (If yes, please give details and category of workers affected)	☐ Yes ☒ No Please give details:
Is there any evidence of retention of wages / deposits (If yes, please give details and category of workers affected)	☐ Yes ☒ No Please give details:
Are there any restrictions on workers' freedom to terminate employment?	☐ Yes ☒ No Please give details: No restrictions on workers' freedom to terminate employment was reported or noted during the assessment.
If any part of the business is UK based or registered there & has a turnover over £36m, is there a published a 'modern day slavery statement?	☐ Yes ☐ No ☒ Not Applicable Please give details: The facility does not have any part of the business is UK based or registered there.
Is there evidence of any restrictions on workers' freedoms to leave the site at the end of the work day?	☐ Yes ☒ No Please give details: There is no evidence of any restrictions on workers' freedoms to leave the site at the end of the work day.

Does the site understand the risks of forced / trafficked / bonded labour in its supply chain	☒ Yes ☐ No ☐ Not Applicable Please give details: All workers are locally and legally recruited. Suppliers are of international standards and are screened periodically.
Is the site taking any steps taking to reduce the risk of forced / trafficked labour?	☒ Yes ☐ No Please give details: The site has policy and practice to ensure that no potential forced labor.

2 - Freedom of Association and Right to Collective Bargaining are Respected

[Summary of Findings]

2: Compliance Requirements

2.1 Workers, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.

2.2 The employer adopts an open attitude towards the activities of trade unions and their organisational activities.

2.3 Workers' representatives are not discriminated against and have access to carry out their representative functions in the workplace.

2.4 Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.

Current Systems and Evidence Examined

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

Current Systems:

The employees of the facility voluntarily are not associated with any labor union within the organization or outside the facility. They are happy to represent through existing work management committees.

Evidence examined:

Management and worker's interview, document review.

Any other comments:

None

What form of worker representation/union is there on site? (Please add the name of the union or committee in the textbox)	☐ Union ☐ Other	☒ Worker Committee ☐ None
Other details:	The Worker's committee is elected, and the election is conducted on September 09, 2023. The committee has a validity period till September 09, 2025. Total members 05 (All workers). The meeting had conducted quarterly, and the last 01 conducted on September 11, 2023.	
Is it a legal requirement to have a union?	☐ Yes ☒ No	
Is it a legal requirement to have a worker's committee?	☒ Yes ☐ No	
Is there any other form of effective worker/management communication channel? (Other than union/worker committee e.g. H&S, sexual harassment)	☒ Yes ☐ No Please give details: Internal Complaint Committee; Grievance Committee, Canteen Committee, and Health & Safety Committee.	
Is there evidence of free elections?	☒ Yes ☐ No	
Does the supplier provide adequate facilities to allow the Union or committee to conduct related business?	☒ Yes ☐ No Please give details: Workers' committees are free to conduct meetings in the facility during working hours.	
Name of union and union representative, if applicable:	Not Applicable.	

Is there evidence of free elections?	☐ Yes ☐ No ☒ Not Applicable
If there is no union, is there a parallel means of consultation with workers e.g. worker committees?	Works committee
Is there evidence of free elections?	☒ Yes ☐ No ☐ Not Applicable
Are all workers aware of who their representatives are?	☒ Yes ☐ No Please give details: Interviewed worker reported that they know about the worker participation committee.
Were worker representatives freely elected?	☒ Yes ☐ No
Date of last election:	2023-09-09
Do workers know what topics can be raised with their representatives?	☒ Yes ☐ No
Were worker representatives/union representatives interviewed?	☒ Yes ☐ No
If Yes, please state how many:	1.0
Please describe any evidence that union/worker's committee is effective? Specify date of last meeting; topics covered; how minutes were communicated etc.	Committee meetings are periodically held and are documented. It has provision to cover concern and corresponding resolution. The last meeting was conducted on September 11, 2023, and no incident reported.
Are any workers covered by Collective Bargaining Agreement (CBA)?	☐ Yes ☒ No

3 - Working Conditions are Safe and Hygienic [Summary of Findings]

3: Compliance Requirements

3.1 A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Adequate steps shall be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, the causes of hazards inherent in the working environment.

3.2 Workers shall receive regular and recorded Health & Safety training, and such training shall be repeated for new or reassigned workers.

3.3 Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided.

3.4 Accommodation, where provided, shall be clean, safe, and meet the basic needs of the workers.

3.5 The company observing the code shall assign responsibility for Health & Safety to a senior management representative.

Current Systems and Evidence Examined

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

Current Systems:

During the health and safety walkthrough, the auditor observed that the facility has provided and maintained a hygienic and comfortable working environment. The facility has in-house OHC. The facility has provided clean drinking water and adequate ventilation and lighting on work floor. Each work floor is provided with adequate ventilation. Work floors appeared to be comfortable for work. There are adequate emergency exits on the work floor. It was mostly marked with "EXIT" signage and equipped with battery operated emergency lights. Emergency exits were unblocked and accessible on day of the assessment. The facility has posted emergency evacuation plot plans on work floor showing directions of the aisles with arrow marking, emergency exit. The facility has provided sufficient fire extinguishers. Functional fire alarm and emergency light are installed on work floor. The facility has provided toilet. Fire drill was conducted. First aid boxes were available on floor. The facility has obtained and has valid fire certificate.

Evidence examined:

Factory tour, interviews and document review and testing of required equipment.

Any other comments:

None

Does the facility have general and occupational Health & Safety policies and procedures that are fit for purpose and are these communicated to workers?

☒ Yes ☐ No

Please give details:

The facility has general and occupational health and safety policy which is appropriate and is communicated to employees through periodical training and also posted on notice board.

Are the policies included in workers' manuals?

☒ Yes ☐ No

Please give details:

Policies included in workers' manuals and posted in notice board as well.

Are there any structural additions without required permits/inspections (e.g. floors added)?

☐ Yes ☒ No

Please give details:

It corresponds to approved building layout plan.

Are visitors to the site informed on H&S and provided with personal protective equipment?	☒ Yes ☐ No Please give details: Visitors to the site are informed on H&S and provided with personal protective equipment.
Is a medical room or medical facility provided for workers?(This section is to list evidence to support system description (Documents examined & relevant comments. Include renewal/expiry date where appropriate))	☒ Yes ☐ No Please give details: The facility has provided medical room and it is as per local law.
Is there a doctor or nurse on site or there is easy access to first aider/ trained medical aid?	☒ Yes ☐ No Please give details: The facility has full time qualified medical professional, nurse and first aiders.
Where the facility provides worker transport – is it fit for purpose, safe, maintained and operated by competent persons e.g. buses and other vehicles?	☒ Yes ☐ No Please give details: Provided transport is fit to purpose.
Is secure personal storage space provided for workers in their living space and is fit for purpose?	☐ Yes ☒ No Please give details: Not Applicable – No living space provided.
Are H&S Risk assessments are conducted (including evaluating the arrangements for workers doing overtime e.g. driving after a long shift) and are there controls to reduce identified risk?	☒ Yes ☐ No Please give details: The facility has conducted Health and Risk Assessment processes-wise and operation-wise.
Is the site meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources?	☒ Yes ☐ No Please give details: The site is meeting its legal obligations on environmental requirements including required permits for use and disposal of natural resources.
Is the site meeting its customer requirements on environmental standards, including the use of banned chemicals?	☒ Yes ☐ No Please give details: No deviation in this regard was noted or reported on the day of the assessment.

Observation		Evidence																														
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comments	considering the existing control the risk identification with its magnitude has been assessed. the camera's has been installed at identified area to keep the area under continuous surveillance. Risk assessment form is attached for review. Corrective action is accepted.	
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4 - Child Labour Shall Not Be Used [Summary of Findings]

4: Compliance Requirements

4.1 There shall be no new recruitment of child labour.

4.2 Companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.

4.3 Children and young persons under 18 shall not be employed at night or in hazardous conditions.

4.4 These policies and procedures shall conform to the provisions of the relevant ILO Standards.

Current Systems and Evidence Examined

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

Current Systems:

The assessment team observed during the facility walk through that worker was matured and above the age of 19 years. No records supplementing child labor or similar practice were observed during the review of document. Also, during the private interview of the employees, the employees stated that he is not aware of any situation when employee below 18 years was allowed to work. The facility has its own child labor policy which is drafted and displayed on the notice board for worker reference. As per the policy, the factory shall not employ the workers less than the age of 18 years. No child labor issues were found.

Evidence examined:

Factory tour, interviews and document review

Any other comments:

None

Legal age of employment:	18
Age of youngest worker found:	23
Are there children present on the work floor but not working at the time of audit?	☐ Yes ☒ No
Percentage of under 18's at this site (of total workers)	0.0%
Are workers under 18 subject to hazardous work assignments?	☐ Yes ☒ No Please give details: Not Applicable. No worker reported under 18 years of age.

5 - Living Wages are Paid [Summary of Findings]

5: Compliance Requirements

5.1 Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

5.2 All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid.

5.3 Deductions from wages as a disciplinary measure shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. All disciplinary measures should be recorded.

Current Systems and Evidence Examined

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

Current Systems:

The facility for employees in direct payroll is in compliance with local law requirement on prescribed minimum wages. In practice the facility was observed to be paying to the workers more than respective minimum wages. The facility also provides the holiday benefits and all other benefits to the workers as legally mandated. The wages are disbursed before 10th from expiry of wage period to all workers. Payroll register displayed employee name, weekending date, all regular and overtime hours worked, earnings, additions/deductions, net and gross earnings. There is gap pertaining to overtime compensation, for improvement and are listed below.

Evidence examined:

The facility is working through shifts. Sunday is the standard weekly off but may be staggered based on requirement, a payroll assessment was conducted and payroll and time records since establishment and sample months were September 2023 [recent month], August 2023 [random month - 1] and July 2023 [random month - 2]. These records were made available for review and verification. As part of the payroll review, the assessment team requested and was provided with requested payroll periods as the sample for the payroll assessment. In each period, 26 employees were sampled. The reviewed payroll records consisted of 170 workers. They are directly hired and hired through labor contractors. All payroll records issued to the salaried employees as well as social security and benefit records. The payroll register displayed the employee's name, weekend date, all regular and overtime hours worked, earnings, additions/deductions, and net, and gross earnings. In addition to payroll and time records, the following records were also reviewed: P.F Challans of all workers for the last three months. Minimum wage notification/circular. List of Holidays

Any other comments:

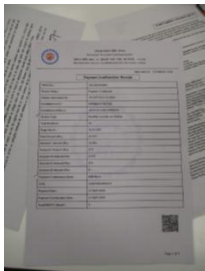
None

Summary Information

Criteria	Local Law	Actual at the Site	Is this part of a Collective Bargaining Agreement?
Standard/Contracted work hours: (Maximum legal and actual required working hours excluding overtime, please state if possible per day, week, and month)	Legal Maximum Per Day: 8.0 Per Week: 48.0 Per Month: 208.0	Actual Per Day: 8.0 Per Week: 48.0 Per Month: 208.0	NO

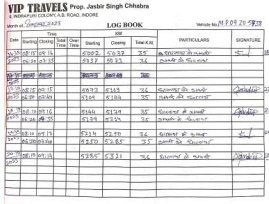
Overtime hours: (Maximum legal and actual overtime hours, please state if possible per day, week, and month)	Legal Maximum Per Day: 4.0 Per Week: 12.0 Per Month: null	Actual Per Day: 2.0 Per Week: 5.0 Per Month: 16.0	NO
Wage for standard/contracted hours: (Minimum legal and actual minimum wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: 371.15 Per Week: null Per Month: null	Actual Per Day: 371.15 Per Week: 2226.9 Per Month: 9649.9	NO
Overtime wage: (Minimum legal and actual minimum overtime wage at site, please state if possible per hr, day, week, and month)	Legal Maximum Per Day: 742.3 Per Week: null Per Month: null	Actual Per Day: 92.8 Per Week: 232.0 Per Month: 742.3	NO
Wages Analysis:			
Were accurate records shown at the first request?	☒ Yes ☐ No		
Sample Size Checked (State number of worker records checked and from which weeks/months – should be current, peak, and random/low. Please see SMETA Best Practice Guidance and Measurement Criteria)	26 samples from September 2023 (current) 26 samples from August 2023 (random) 26 samples from July 2023 (random)		
Are there different legal minimum wage grades? If Yes, please specify all.	☒ Yes ☐ No Unskilled=371.15/day; Semi skilled=404/day; Skilled=457/day; Highly skilled=507/day		
If there are different legal minimum grades, are all workers graded and paid correctly?	☒ Yes ☐ No ☐ Not Applicable Please give details:		
For the lowest paid production workers, are wages paid for standard/contracted hours (excluding overtime) below or above the legal minimum?	☐ Below legal min ☒ Meet ☐ Above		
Lowest actual wages found: Note: full time employees and please state hour / week / month etc.	371.15/day		
Please indicate the breakdown of workforce per earnings	0.0% of workforce earning under minimum wage 20.0% of workforce earning minimum wage 80.0% of workforce earning above minimum wage		
Bonus Scheme found: Please specify details:	Bonus Scheme found: Facility has a policy of paying statutory bonus at the rate of 8.33% of annual earned wages to all employees including contractor workers. Note: type of employee (e.g. full time, temp, etc.) and please state which units e.g. /hour /week /month etc.		
What deductions are required by law e.g. social insurance? Please state all types:	Employee State Insurance (ESI), Employee Provident Fund (EPF) and Professional tax		
Have these deductions been made?	☒ Yes ☐ No		
Please list all deductions that have been made.	Employee state Insurance (ESI) Employee Provident Fund (EPF)		
Please list all deductions that have not been made.	None		
Were appropriate records available to verify hours of work and wages?	☒ Yes ☐ No		

Were any inconsistencies found? (if yes describe nature)	☐ Yes ☒ No
Do records reflect all time worked? (For instance, are workers asked to attend meetings before or after work but not paid for their time)	☒ Yes ☐ No Please give details: All the appropriate records available to verify.
Is there a defined living wage: This is not normally minimum legal wage. If answered yes, please state amount and source of info: Please see SMETA Best Practice Guidance and Measurement Criteria.	☐ Yes ☒ No Please give details:
If yes, what was the calculation method used.	☐ ISEAL/Anker Benchmarks ☐ Asia Floor Wage ☐ Figures provided by Unions ☐ Living Wage Foundation UK ☐ Fair Wear Wage Ladder ☐ Fairtrade Foundation ☐ Other – please give details:
Are there periodic reviews of wages? If Yes give details (include whether there is consideration to basic needs of workers plus discretionary income).	☒ Yes ☐ No Please give details: It is aligned with the revision by the local authority for minimum wages. The facility follows minimum wages as decided by the authority often once every six months.
Are workers paid in a timely manner in line with local law?	☒ Yes ☐ No
Is there evidence that equal rates are being paid for equal work:	☒ Yes ☐ No Please give details: No deviation noted or reported in this regards.
How are workers paid:	☐ Cash ☐ Cheque ☒ Bank Transfer ☐ Other

Non-Compliance		Evidence																						
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	08/JAN/2016 THE GRACE PERIOD HAVE BEEN WITHDRAWN Now the employer are under liability to pay the PF contribution by 15th of Every Month.		
ETI code	5.1 - Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.		
Explanation to the non compliance	Delay submission of employee state insurance benefit (ESI) and provident fund submission (PF) noted in the factory for the 16 sampled contractor's workers. Factory submitted those benefits within 16th to 21st days instead on 15th days as required by law in the sampled months July, August & September 2023.		
Follow up method	☐ Follow up audit ☒ Desktop audit		
Timescale	☐ Immediate ☐ 30 days ☒ 60 days ☐ 90 days ☐ 120 days ☐ 180 days ☐ 365 days ☐ Other		
Actions	Factory shall submit the ESI and PF amount within 15 days as required by law.		
Additional comments	The show cause notice is issued to concerned labour contractor for timely submission of PF & ESIC and he has assured through an written confirmation that he will assure the compliance within the timeline as per act. Please upload the evidence of the submission of employee state insurance benefit (ESI) and provident fund submission (PF) of contracted workers was no later than 15th in recent month. This is the 1st attempt, next response will be your 2nd attempt. Show cause notice issued and he is following the same . pfa pf & esic challan from Oct-23 to Jan-24. Corrective action is accepted.		

Good Example		Evidence																		
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 Free Trasportation Provi ded Trasport Register.jp 9																				

6 - Working Hours are not Excessive [Summary of Findings]

6: Compliance Requirements

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

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

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

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

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

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

Current Systems and Evidence Examined

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

Current Systems:

- The Facility has installed an Electronic time recording machine for recording the working hours of the company-hired direct employees.
- Manual time records are maintained for contractor workers
- Time records are available for review since its establishment.
- Facility has declared weekly off on Sunday.
- Overtime hours are reflected in the provided time records and consistent with the wage records. No inconsistency was observed in the reviewed records.

Evidence examined:

Review of time & Payroll records, interviews and site observations

Any other comments:

None

Working hours' analysis

Systems & Processes

What timekeeping systems are used?	Electronic time recording system – Face scan
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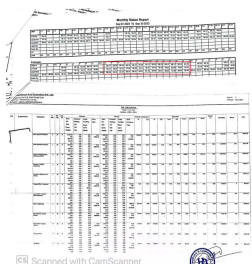
Is sample size same as in wages section?	☒ Yes ☐ No Please give details:
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Are standard/contracted working hours defined in all contracts/employment agreements? (If no, please give details including % and which type of workers do NOT have standard hours defined in contracts/employment agreements.)	☒ Yes ☐ No
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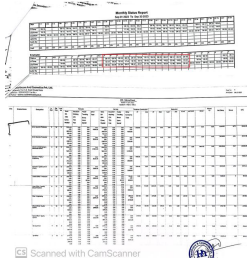
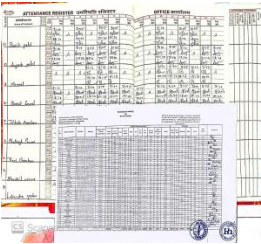
Are there any other types of contracts/employment agreements used?	☐ Yes ☒ No
--	---

Do any standard/contracted working hours defined in contracts/employment agreements exceed 48 hours per week? (If yes, please detail hours, %, types of workers affected and frequency.)	☐ Yes ☒ No
Are workers provided with at least 1 day off in every 7-day-period, or 2 in 14-day-period?	☐ 1 in 7 days ☐ 2 in 14 days ☒ No (please explain)
Please give details	During the current assessment, from the documentation review and management interview it was noted that factory was not able to ensure 01-day rest in each 07 days working period for its 30% sampled employees in the 03 sampled months July, August, and September 2023. In these 03 above mentioned sampled months those sampled workers found working in a range of 08 to 13 days in a row consecutively.
Is this allowed by local law?	☐ Yes ☒ No
Maximum number of days worked without a day off (in sample):	13
Standard/Contracted Hours worked	
Were standard working hours over 48 hours per week found? (If yes, % of workers & frequency)	☐ Yes ☒ No % of workers: null% Frequency:
Any local waivers/local law or permissions which allow averaging/annualised hours for this site? (If yes, please give details.)	☐ Yes ☒ No
Overtime Hours worked	
Actual overtime hours worked in sample (State per day/week/month)	2 hours / day; 5 hours / week; 16 hours / month in the sampled months.
Combined hours (standard or contracted + overtime hours = total) over 60 found?	☐ Yes ☒ No Please give details: All found within the legal limit of 60 hours/week.
Approximate percentage of total workers on highest overtime hours:	10.0%
Is overtime voluntary? (Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements)	☒ Yes ☐ No ☐ Conflicting Information Please give details: Per interview, overtime is voluntary.
Overtime premium	

Are the correct legal overtime premiums paid? (Please give details of normal day overtime premium as a % of standard wages)	☐ Yes ☒ No ☐ N/A – there is no legal requirement to OT premium Please give details: Factory not paying the overtime premium for 01 out of 16 sampled contractor's workers in the month of July 2023 for 04 hours of Overtime works. And weekly off-day works not compensated to the 04 out of 10 sampled company workers in the month of August and September 2023 for work on weekly off days.
Is overtime paid at a premium?	☐ Yes ☒ No
If the site pays less than 125% OT premium and this is allowed under local law, are there other considerations? Please complete the boxes where relevant.	☒ No ☐ Consolidated pay ☐ Collective Bargaining agreements ☐ Other
Please give details	Factory not paying the overtime premium for 01 out of 16 sampled contractor's workers in the month of July 2023 for 04 hours of Overtime works. And weekly off-day works not compensated to the 04 out of 10 sampled company workers in the month of August and September 2023 for work on weekly off days.
If more than 60 total hours per week and this is legally allowed, are there other considerations? Please complete the boxes where relevant. (Please explain any checked boxes above e.g. detail of consolidated pay / CBA or Other)	☒ Overtime is voluntary ☐ Onsite Collective bargaining allows 60+ hours/week is voluntary ☐ Safeguards are in place to protect worker's health and safety ☐ Site can demonstrate exceptional circumstances ☐ Other reasons (please specify)
Please explain any checked boxes above e.g. detail of consolidated pay / CBA or other	Overtime is voluntary but the weekly working hour found no more than 60 hours in a week in sampled three months.
Is there evidence that overtime hours are being used for extended periods to make up for labour shortages or increased order volumes?	☐ Yes ☒ No
If sufficient workers cannot be hired, are new working time arrangements explored to ensure that overtime is the exception rather than the rule?	☒ Yes ☐ No

Non-Compliance		Evidence																													
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	365 days	Other	
Actions	Weekly rest shall be provided.		

Non-Compliance		Evidence																															
[Back to findings summary]																																	
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7 - No Discrimination is Practiced [Summary of Findings]

7: Compliance Requirements

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

Current Systems and Evidence Examined

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

Current Systems:

During the facility walkthrough, review of documents and private interview of the selected employees, the assessment team did not notice any evidence of discrimination in any form. The management stated such is not the policy and culture practice by the organization and workers reciprocated the same. In addition, the employees interviewed reported that they can go up to any higher-level position based on their skill. They also stated of employees getting promoted to supervisor based on superiority of skill and consistent superior performance. Hence, there is no concern regarding discrimination at the time of current assessment.

Evidence examined:

Document review, interview and factory tour.

Any other comments:

None

Gender breakdown of Management + Supervisors (Include as one combined group)	Male: 90.0%	Female: 10.0%
Number of women who are in skilled or technical roles (e.g. where specific qualifications are needed i.e. machine engineer / laboratory analyst)	8	
Is there any evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political affiliation?	☐ Hiring ☐ Promotion	☐ Compensation ☐ Termination or retirement ☐ Access to training ☒ No evidence of discrimination found
Please give details	There is no evidence of discrimination based on race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, committee membership or political affiliation.	
Professional Development		
What type of training and development are available for workers?	Skill up-gradation training	
Are HR decisions e.g. promotion, training, compensation based on objective, transparent criteria? (If no, please provide details)	☒ Yes ☐ No	

8 - Regular Employment Is Provided [Summary of Findings]

8: Compliance Requirements

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

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

Additional Elements: Responsible Recruitment

8.3 Suppliers have full understanding of the entire recruitment process and assess all labour recruiters and intermediaries against legal and/or ethical requirements.

8.4 There are effective management systems in place to identify and monitor the hiring and management of all migrant workers, contract workers, agency workers, temporary or casual labour. The supplier shall implement processes to enable adequate control over agencies with regards the above points and related legislation.

8.5 Employment agencies must only supply workers registered with them.

8.6 Workers pay no recruitment fee at any stage of the recruitment process.

8.7 Worker contracts accurately reflect the agreed payment and terms in the recruitment process and are understood and signed by workers.

Current Systems and Evidence Examined

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

Current Systems:

It is observed that the workers are given continuous employment. The assessment team observed through private personal interviews that the workers are provided with regular work, and they were aware of legal wages and further no concern in this regard was reported by the workers. Personal files of sampled workers were reviewed. All personal files were maintained with an appointment letter duly authenticated by the employer and employees. All employees stated of having received a copy of the appointment letter.

Evidence examined:

Document review, model standing order and interviews

Any other comments:

None

Responsible Recruitment

All Workers

Were all workers presented with terms of employment at the time of recruitment, did they understand them and are they same as current conditions?

☒ Terms & Conditions presented

☒ Understood by workers

☒ Same as actual conditions

Did workers pay any fees, taxes, deposits or bonds for the purpose of recruitment/placement? (If yes, please describe details and specific category(ies) of workers affected)

☐ Yes ☒ No

Migrant Workers

Type of work undertaken by migrant workers:

No migrant worker in this facility recruited.

Please give details about recruitment agencies for migrant workers:	Number of (in country) recruitment agencies used: 0 Number of (outside of local country) recruitment agencies used: 0
Are migrant workers' voluntary deductions (such as for remittances) confirmed in writing by the worker and is evidence of the transaction supplied by the facility to the worker?	☐ Yes ☒ No Please give details: No migrant worker recruited by the facility.
Is there any observation on this finding?	None
Are any migrant workers in skilled, technical or management roles? (This should include all migrant workers including permanent workers, temporary and/or seasonal workers)	☐ Yes ☒ No
Non-employee workers	
Recruitment Fees	
Are there any fees?	☐ Yes ☒ No
Agency Workers (if applicable) (Workers sourced from a local agent who are not directly paid by the site, but paid by the agency. Usually the agencies are paid by the site and the wages of the individual workers are paid by the agency.)	
Number of agencies used (average):	0
Please provide the names of agencies if applicable	N/A. No agency used.
Were agency workers' age / pay / hours included within the scope of this audit?	☐ Yes ☒ No
Were sufficient documents for agency workers available for review?	☐ Yes ☒ No
Is there a legal contract agreement with all agencies?	☐ Yes ☒ No Please give details: N/A. No agency used.
Does the site have a system for checking labour standards of agencies?	☐ Yes ☒ No Please give details: N/A. No agency used.
Contractors (Contractors in this context are generally individuals who supply several workers to a site. Usually the contractors are paid by the site and the wages of the workers are paid by the contractor. Common terms include, gang bosses, labor provider.)	
Any contractors on site?	☒ Yes ☐ No Please give details: Facility has 5 contractors: MAA Chamunda Enterprises; Balaji Security Services Pvt. Ltd.; Jai Shree Enterprises; VIP travels; PCI pest control Pvt. Ltd.
If Yes, how many workers supplied by contractors?	74

Do all contractor workers understand their terms of employment?	☒ Yes ☐ No Please give details: The facility provided all contract employees with appointment letter. The same observed to be maintained in the personnel files of all the sampled employees. Further, the same was confirmed during the employees' confidential interviews.
If Yes, please give evidence for contractor workers being paid per law	The contract workers are being paid the same wages as notified by the minimum wages notice.

8A - Sub-Contracting and Homeworking
[Summary of Findings]**8A: Compliance Requirements**

8.A.1 There should be no sub-contracting unless previously agreed with the main client.

8.A.2 Systems and processes should be in place to manage sub-contracting, homeworking and external processing.

Current Systems and Evidence Examined

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

Current Systems:

- 1.The facility does not use subcontracting or homeworking.
- 2.All processes observed to be in-house.

Evidence examined:

Documents, interview and on-site observation.

Any other comments:

None

Summary of sub-contracting – if applicableIs there any sub-contracting at this site? ☐ Yes ☒ No**Summary of homeworking – if applicable**Is homeworking used at this site? ☐ Yes ☒ No

9 - No Harsh or Inhumane Treatment is Allowed
[Summary of Findings]

9: Compliance Requirements

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

9.2 companies should provide access to a confidential grievance mechanism for all workers

Current Systems and Evidence Examined

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

Current Systems:

As per the employee and management interview, harassment or abuse in any form is not practiced in the facility. The interviewed employees also reported that they have not witnessed circumstances, where the employees have been sexually, physically or verbally abused by the management or by the supervisor or by the security guards. Hence, there is no concern apparent regarding harassment at the time of assessment.

Evidence examined:

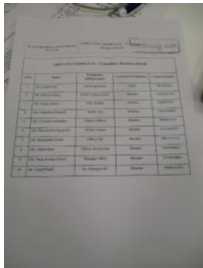
Workers interview and review of policies.

Any other comments:

None

Are there published, anonymous and/or open channels available for reporting any violations of Labour standards and H&S or any other grievances to a 3rd party?	☒ Yes ☐ No Please give details: The facility formulated a grievance procedure and also has grievance committee. Further, they installed suggestion boxes. However, representation of grievance committee is not as per the legal requirement.
If yes, are workers aware of these channels and have access? Please give details.	Workers are aware about various channels and also content and satisfied.
If yes, what type of mechanism is used e.g. hotline, whistle blowing mechanism, comment box etc. Please give details.	The facility has suggestion boxes installed, a Grievance redressal committee and online portal named "We are listening" to register any complaint online.
Which of the following groups is there a grievance mechanism in place for?	☒ Worker ☒ Communities ☒ Suppliers ☐ Other
Please provide grievance mechanism details	Workers representative committee and complaint box. Community complaint system Supplier complaint /Feedback received over mail.
Are there any open disputes?	☐ Yes ☒ No Please give details:
Does the site encourage its business partners (e.g. suppliers) to provide individuals and communities with access to effective grievance mechanisms (e.g. helplines or whistle blowing mechanism)	☒ Yes ☐ No Please give details:

Is there a published and transparent disciplinary procedure?	☒ Yes ☐ No Please give details:
If yes, are workers aware of these the disciplinary procedure?	☒ Yes ☐ No Please give details:
Does the disciplinary procedure allow for deductions from wages (fines) for disciplinary purposes (see wages section)?	☐ Yes ☒ No Please give details:

Non-Compliance		Evidence																																		
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	Corrective action is accepted.	
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10A - Entitlement to Work and Immigration [Summary of Findings]

10A: Compliance Requirements

10.A.1 Only workers with a legal right to work shall be employed or used by the supplier.

10.A.2 All workers, including employment agency staff, must be validated by the supplier for their legal right to work by reviewing original documentation.

Current Systems and Evidence Examined

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

Current Systems:

1. There are no foreign nationals employed onsite.
2. All employees' personal data files have photocopies of documentation showing that they have local citizenship and do not need special permission to work at the factory.

Evidence examined:

1. Employee muster roll
2. Personnel data files (26 personnel files were checked for proof of identity documentation)
3. Employee interviews
4. Management interview
5. Facility walkthrough

Any other comments:

None

10B4 - Environment 4-Pillar [Summary of Findings]

10B4: Compliance Requirements

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

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

10.B4.3 Businesses shall be aware of their end client's environmental standards/code requirements

10.B4.4 Suppliers should have an environmental policy, covering their environmental impact, which is communicated to all appropriate parties, including its own suppliers.

10.B4.5 Suppliers shall be aware of the significant environmental impact of their site and its processes.

10.B4.6 The site should measure its impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g. energy use, water use (see 4-pillar audit report and audit checks for details).

10.B4.7 Businesses shall make continuous improvements in their environmental performance.

10.B4.8 Businesses shall have available for review any environmental certifications or any environmental management systems documentation

10.B4.9 Businesses should have a nominated individual responsible for co-ordinating the site's efforts to improve environmental performance.

10B4: Guidance for Observations

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

10.B4.11 Has the site recently been subject to (or pending) any fines/prosecutions for noncompliance to environmental regulations.

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

Current Systems and Evidence Examined

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

Current Systems:

- The facility has an environmental policy in place.
- The facility has an environmental action plan including its impact and to reduce such the impact arising in due course of production.
- The facility has installed an Effluent Treatment Plant.
- The facility obtained valid Pollution Consent from the pollution department.
- The facility is providing environmental training to its employees.
- The facility has executed an agreement with GPIL for handling of hazardous wastes.

Evidence examined:

- Policy
- Legal documents [air, water, and hazardous wastes consent]
- Resource consumption records
- ETP log book and manifest
- Agreement

Any other comments:

None

Environmental Analysis

Is there a manager responsible for Environmental issues (Name and Position):

Mr. Vikas Tiwari - Manager - HR & Administration

Has the site conducted a risk assessment on the environmental impact of the site, including implementation of controls to reduce identified risks?	☒ Yes ☐ No Please give details: The facility has conducted a risk assessment on the environmental impact of the site, including the implementation of controls to reduce identified risks.
Does the site have a recognised environmental system certification such as ISO 14000 or equivalent?	☐ Yes ☒ No Please give details: N/A
Does the site have an Environmental policy?	☒ Yes ☐ No
If yes, is it publicly available?	☒ Yes ☐ No
If yes, does it address the key impacts from their operations and their commitment to improvement?	☒ Yes ☐ No Please give details: Installed ETP.
Does the site have a Biodiversity policy?	☒ Yes ☐ No
Is there any other sustainability systems present such as Chain of Custody, Forest Stewardship Council (FSC), Marine Stewardship Council (MSC) etc.?	☐ Yes ☒ No Please give details: N/A
Have all legally required permits been shown?	☒ Yes ☐ No Please give details: Facility provided pollution consent for air and water and hazardous waste consent for review.
Is there a documentation process to record hazardous chemicals used in the manufacturing process?	☒ Yes ☐ No ☐ Not Applicable Please give details: Facility ensures to maintain chemical inventory for chemical usage quantity.
Is there a system for managing client's requirements and legislation in the destination countries regarding environmental and chemical issues?	☒ Yes ☐ No Please give details: The facility has policy and procedure in place.
Facility has reduction targets in place for environmental aspects e.g. water consumption and discharge, waste, energy and green-house gas emissions:	☒ Yes ☐ No Please give details: Facility installed ETP plant to ensure that water is recycled and reusable. In addition, facility installed solar plant.
Facility has evidence of waste recycling and is monitoring volume of waste that is recycled.	☒ Yes ☐ No Please give details: Factory recycled 538 m3 water till now.

Does the facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognised protocols or standards?	☒ Yes ☐ No Please give details: The facility have a system in place for accurately measuring and monitoring consumption of key utilities of water, energy and natural resources that follows recognized protocols or standards. It was available and verified.	
Has the facility checked that any Sub-Contracting agencies or business partners operating on the premises have the appropriate permits and licences and are conducting business in line with environmental expectations of the facility?	☒ Yes ☐ No Please give details: No subcontractor used.	
Usage/Discharge analysis		
Criteria	Previous year: 2022	Current year: 2023
Electricity Usage: Kw/hrs	0	950280
Renewable Energy Usage: Kw/hrs	0	0
Gas Energy Usage: Kw/hrs	0	171063
Has site completed any carbon Footprint Analysis?	No	No
If Yes, please state result		
Water Sources	N/A. Factory started it's operation in 2023.	MPIDC
Water Volume Used	0	11962
Water Discharged	N/A. Factory started it's operation in 2023.	Local Drainage
Water Volume Discharged	0	538
Water Volume Recycled	0	589
Total waste produced	0	8902.6 kg
Total hazardous waste produced	0	7361.7 kg
Waste to recycling	0	0
Waste to landfill	0	0
Waste to other	0	0
Total Product Produced	0	Powder: 844.5 kg; Capsules 90000 pcs; Soft-gel: 80000 pcs

10C - Business Ethics – 4-Pillar Audit [Summary of Findings]

10C: Compliance Requirements

10.C.1 Businesses shall conduct their business ethically without bribery, corruption, or any type of fraudulent Business Practice.

10.C.2 Businesses as a minimum must meet the requirements of local and national laws related to bribery, corruption, or any type of fraudulent Business Practices.

10.C.3 Where it is a legal requirement, businesses must be able to demonstrate that they comply with all fiscal legislative requirements.

10.C.4 Businesses shall have access to a transparent system in place for confidentially reporting, and dealing with unethical Business Ethics without fear of reprisals towards the reporter.

10.C.5 Businesses should have a Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice,

10.C.6 Businesses should have a designated person responsible for implementing standards concerning Business Ethics

10.C.7 Suppliers should ensure that the staff whose job roles carry a higher level of risk in the area of ethical Business Practice e.g. sales, purchasing, logistics are trained on what action to take in the event of an issue arising in their area.

10C: Guidance for Observations

10.C.8 Businesses should communicate their Business Ethics policy, covering bribery, corruption, or any type of fraudulent Business Practice to all appropriate parties, including its own suppliers.

10.C.9 Has the site recently been subject to (or pending) any fines/prosecutions for non-compliance to Business Ethics regulations. If so is there evidence that sustainable corrective actions have been implemented

Note for auditors and readers. This Business Ethics section is intended to take not more than 0.25 auditor days. It is an assessment not an audit.

Current Systems and Evidence Examined

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

Current Systems:

The facility has conducted its business ethically without bribery, corruption, or any type of fraudulent Business Practice. Management ensures all level of transparency in all the way. All the suppliers and subcontractors need to agree with the company policy regarding the corruption and bribery. Compliance department is in the overall responsible for overseen the implementation of the policy.

Evidence examined:

Policy
Management interview,
Worker interview.

Any other comments:

None

Does the facility have a Business Ethics Policy and is the policy communicated and applied internally, externally or both, as appropriate?

☒ Internal Policy

☒ Policy for third parties including suppliers

Please give details:

The facility has a Business Ethics Policy and it is the policy communicated and applied to both internally, externally

Does the site give training to relevant personnel (e.g. sales and logistics) on business ethics issues?	☒ Yes ☐ No Please give details: The site gives training to relevant personnel (e.g. sales and logistics) on business ethics issues.
Is the policy updated on a regular (as needed) basis?	☒ Yes ☐ No Please give details: The policy will be updated on annual basis and or before on need basis.
Does the site require third parties including suppliers to complete their own business ethics training	☒ Yes ☐ No Please give details: Suppliers are doing their own business ethics training.

Attachments



H&H HEALTH CARE & COSMETICS PRIVATE
LIMITED Signed CAP 1023.pdf



Tablet coating-2nd floor.JPG



Emergency exit.JPG



Exit Sign.JPG



Smoke detector.JPG



Fire alarm call point.JPG



Eye wash station.JPG



First aid box.JPG



Bottle filling-packing-Ground floor.JPG



Emergency light backup.JPG



Strip area- packing area- ground floor.JPG



Drinking water point .JPG



Facility outlook.JPG



evacuation floor plan.JPG



Door is opening inward packing area.JPG



Policies.JPG



Drinking water point.JPG



Tablet compression-2nd floor.JPG



Alu- Alu packing area- Ground floor.JPG



Electrical panel with mat.JPG



Fire extinguisher.JPG



Soft gel filling- first floor.JPG



Compressor area.JPG



Powder manufacturing-2nd floor.JPG



Facility main gate.JPG



Water purified area.JPG



Capsule filling-2nd floor.JPG



ETP area.JPG



Granulation-2nd floor.JPG



Electrical panel room.JPG



Lunch area.JPG



ETI base code.JPG



Blistering packing- ground floor.JPG



Warehouse 2 Pic.JPG



Hose reel.JPG



Gas storage.JPG



DG set mat.JPG



Warehouse.JPG



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

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