The factual information set forth on the Tracking Charts was submitted to the FLA by each Independent External Monitor and Participating Company and reviewed by FLA staff. It is being made available to the public pursuant to the FLA Charter in order to strengthen the monitoring process. The FLA Charter provides for regular public disclosure of the factual results of independent monitoring and the resulting specific actions taken by Participating Companies.

What is a Tracking Chart?

Compliance is a process, not an event. A Tracking Chart outlines the process involved in FLA independent external monitoring and remediation. It is used by the accredited independent external monitor, the participating company and the FLA staff to do the following:

- **Record Findings**: The independent external monitor uses the Tracking Chart to report noncompliance with FLA Code standards. The monitor should also cite the specific Code benchmark or national/local law that was used to measure compliance.
- **Report on Remediation**: The FLA participating company uses the Tracking Chart to report on the remediation program that was implemented in order to resolve the noncompliance and prevent any future violations.
- **Evaluate Progress**: The FLA uses the Tracking Chart for purposes of collecting and analyzing information on the compliance situation of a particular factory and for publication on our website. This information is updated on an ongoing basis.

What a Tracking Chart is NOT -

- An exhaustive assessment of factory conditions
  
  Working conditions - in any type of workplace - are dynamic. Each Tracking Chart represents a survey of the factory's conditions on a specific day. Over time, a fuller picture emerges as we compile information from various sources to track the compliance progress of a factory.
- A pass or fail evaluation
  
  The Tracking Charts do not certify whether or not factories are in compliance with the FLA Code. Monitoring is a measurement tool. The discovery of noncompliance issues is therefore not an indication that the participating company should withdraw from a factory. Instead, the results of monitoring visits are used to prioritize capacity building activities that will lead to sustainable improvements in the factory's working conditions.
- A one-time event
  
  Each monitoring visit is followed by a remediation program, further monitoring and remediation in an ongoing process. The Tracking Charts are updated accordingly.
Note on Language
Please be advised that because FLA independent external monitors are locally-based and English is generally not their native language, the language presented may at times appear unclear to a reader who is a native English speaker. In order to preserve the integrity of the transparency process and the information we receive, our policy is to publish the original text from the monitor and participating company. However, the reader will note that we have taken the precaution to remove any identifying information about the factory that was monitored or the workers interviewed.

For example, in cases where monitors and/or participating companies have cited the actual number of workers in reference to a noncompliance issue, in order to protect the workers’ identities, we have replaced the numbers with generic wording in brackets (i.e. “[some]”, “[worker interviews revealed that]”, etc.).

We do not disclose the name of the factory that was monitored in order to ensure that the FLA’s efforts to encourage and reward transparency do not have detrimental consequences for the factory and the workers.

Instructions for Printing
The information contained in the Tracking Charts is organized by columns and rows in a table format. Due to the number and width of the columns, the charts have been formatted for legal size (8.5 x 14in.) paper. To print the charts, please make sure to select “legal” size paper from Print properties.
05003284DBureau Veritas Consumer Products India Private Limited

Factory Name: IEM

Date(s) in Facility: PC(s)

Number of Workers: [ ]

FLA Audit Profile

Documentation

Company Follow up (Cite date of planned or follow up visit, if appropriate)

Documentation Completed; Verification (Date)

FLA Audit Profile

1. Code Awareness

FLA Principle of Monitoring, Obligation of Third-Party Verification

Establish and articulate clear, written workplace standards. Formally convey those standards to employees through training and documentation. Establish and articulate expectations for vendors and contractors to maintain workplace standards in their facilities. Where appropriate, use multiple methods to ensure that vendors are implementing and maintaining those workplace standards. Set up a process to communicate with vendors about any workplace standard noncompliance and make sure they are taking reasonable steps to address it. Provide evidence that you communicate workplace standards to vendors and contractors. Document how you monitor these standards and any other standards you establish.

2. Workplace

FLA Principle of Monitoring, Obligation of Audits

Conduct regular audits of facilities. Conduct audits of facilities to verify compliance with the workplace standards. Conduct audits to verify that vendors are implementing and maintaining workplace standards. Document the results of your audits and any remediation plans and results. Additionally, regularly oversee and monitor the activities of your vendors.

3. Noncompliance

FLA Principle of Monitoring, Obligation of Remediation

Remediate noncompliance by vendors and contractors. Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable your employees and contractors to report to the Company on noncompliance with workplace standards, with security. Conduct interviews and record keeping at the facility, including records of audits and other evidence of noncompliance. "Noncompliance" includes workplace standards, as well as contractual or performance standards that you establish for vendors. Do not disclose information about noncompliance with workplace standards to any third party unless you have the employee(s)’ consent or a legal duty to do so. Remediation includes both internal and external communications and activities, such as audits, investigations, letters, hearings, and meetings, to address workplace standards noncompliance.

4. Harassment or Abuse

FLA Principle of Monitoring, Obligation of Nondiscrimination

Employers will provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities. Where an accident occurs, employees shall be permitted to receive proper first aid and medical care. The employer shall take all necessary measures to prevent recurrence and to protect the safety and health of its workers. The employer shall take all necessary measures to prevent recurrence and to protect the safety and health of its workers.

5. Nondiscrimination

FLA Principle of Monitoring, Obligation of Non-discrimination

Employers will recognize and respect the right of employees to freedom of association and collective bargaining. Employers will provide the right to form and join labor unions of one’s own choosing, including the right to bargain collectively through representatives of one’s choice.

6. Independence

FLA Principle of Monitoring, Obligation of Management Control

Employers will maintain proof of age documentation for all employees.

Age Verification According to item 1(iv) under schedule 1B of Industrial Employment (Standing Order) Central Rules 1946. (a) Every workman shall indicate his exact date of birth to the employer or the officer authorized by him in this behalf, at the time of entering service of the establishment. The employer or the officer authorized by him in this behalf shall, as soon as possible, after ascertaining the date of birth of such workman, furnish a certificate thereof to the establishement and the employee on request. The employer or the officer authorized by him in this behalf shall, as soon as possible, after ascertaining the date of birth of such workman, furnish a certificate thereof to the establishement and the employee on request.

7. Non-contract workers

FLA Principle of Monitoring, Obligation of Management Control

Employers recognize that wages are essential to meeting employees’ basic needs. Employers will pay employees, as a base, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits. Workers shall be paid in a timely manner.

8. Notes

None PC has not worked with this vendor since end of 2004. PC has no plans on working with this vendor thus has limited leverage.

9. Local Law

FLA Principle of Monitoring, Obligation of Management Control

Employers will pay workers the legal minimum wage or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits.

FLA Code/ Compliance Issue Country Law/Legal Reference FLA Benchmark Non-Compliance Risk of Non-

Evidence of Non-compliance

If not corroborated, explain why not corroborated

Reported Non-compliance

If noncompliance is verified, this page should be amended to include the measure taken to address the noncompliance and the status of the remediation as of the date of this audit.

FLA Compliance Issue: FLA: Code of Conduct

Forced Labor

Other

FLA Principle of Monitoring, Obligation of Management Control

No person will be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.

Age Verification According to 1(iv) under schedule 1B of Industrial Employment (Standing Order) Central Rules 1946. (a) Every workman shall indicate his exact date of birth to the employer or the officer authorized by him in this behalf, at the time of entering service of the establishment. The employer or the officer authorized by him in this behalf shall, as soon as possible, after ascertaining the date of birth of such workman, furnish a certificate thereof to the establishement and the employee on request.

In those cases where proof of age documentation is not available, employers shall maintain records of the age of employees. The records shall include the date of birth of each employee as well as the age of each employee at the time of employment. Employees shall provide proof of age documentation to the employer or the officer authorized by him in this behalf within 30 days of the date of employment.

No Non-compliance Issues Found

Indicator

All regular workers are paid minimum rate of wages in compliance with the local laws however it is not verifiable for contract workers as wage records for contract workers, working in this factory are not maintained by the vendor.

FLA Principle of Monitoring, Obligation of Management Control

Employers will pay workers the legal minimum wage or the prevailing industry wage, whichever is higher, and will provide legally mandated benefits.

FLA Benchmark

Non-Compliance

Risk of Non-Compliance

Risk of Non-compliance if not corrected

FLA Compliance Issue: FLA: Code of Conduct

Age Verification

Age Verification According to item 1(iv) under schedule 1B of Industrial Employment (Standing Order) Central Rules 1946. (a) Every workman shall indicate his exact date of birth to the employer or the officer authorized by him in this behalf, at the time of entering service of the establishment . The employer or the officer authorized by him in this behalf shall, as soon as possible, after ascertaining the date of birth of such workman, furnish a certificate thereof to the establishement and the employee on request. The employer or the officer authorized by him in this behalf shall, as soon as possible, after ascertaining the date of birth of such workman, furnish a certificate thereof to the establishement and the employee on request.

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No Non-compliance Issues Found

Indicator

All regular workers are paid minimum rate of wages in compliance with the local laws however it is not verifiable for contract workers as wage records for contract workers, working in this factory are not maintained by the vendor.
Interviews and Records

None
PC has not worked with this vendor since end of 2004. PC has no plans on working with this vendor thus has limited leverage.

All regular workers' compensation are paid as per local minimum rate of wages. However, it is not verifiable for contract workers as records of contract workers working in the finishing section and hand embroidery are not available. Also these workers were not found in the factory during the audit for interview to cross verify.

Indicator

All regular workers leave records are available and found they are provided leaves as per law. It is not verifiable for contract workers as records of contract workers working in the finishing section and hand embroidery are not available. Also these workers were not found in the factory during the audit for interview to cross verify.

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Reasonable Maintaining of Staff

Employer personnel practices will demonstrate an effort to maintain a level of staffing that is reasonable in view of predictable or continuing fluctuations in business demand.

Non compliance

Factory has employed 83 hand embroidery and bead fixing contract workers and 12 workers in finishing section. Accurate production records and interviews showed that factory had employed these contract workers in order to manage the workload which was increased in time as marked but those were not present in the facility to which factory management responded that those workers came in the morning for work and as there is no work they left.

Overtime Limitations

Except in extraordinary business circumstances, employees will (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country in which the factory is located plus 12 hours overtime; and (ii) be entitled to at least one day off in every seven day period. An extraordinary business circumstance is any period of extra work that could not have been anticipated or alleviated by other reasonable efforts.

Non compliance

The management responded this extra overtime to meet the extra workload especially at finishing and sampling sections. They are in the process of planning working in two shifts to meet the workload. However no accurate information and analysis done by the management available.

Overtime Compensation

Employees shall be able to provide explanation for all periods when the extraordinary business circumstances exception has been used. Employees shall also be informed by their employers about the various expected duration of the circumstances.

Non compliance

The factory shall comply with applicable law for premium rates for overtime compensation.

Compensation for overtime work performed was not paid double the normal rate, as per legal requirement to some of the workers found in the factory where one stated payment at single rate while other states payment at double the normal wage rate.

Illegal Subcontracting

Factory is using offsite subcontract facilities for washing, printing, beading and hand embroidery. As per factory records, all subcontractors are approved and engaged by their head office, which is situated at a different location but records of those contractors are not available.

Possible homework

The factory shall maintain an updated list of all subcontractors and their addresses, and keep records of the work performed by each subcontractor, along with the payments made to them. This information shall be made available to the auditor upon request.