



SMETA Corrective Action Plan Report (CAPR)

Version 6.0



Audit Details

Sedex Company Reference: <i>(only available on Sedex System)</i>	ZC: 1053486	Sedex Site Reference: <i>(only available on Sedex System)</i>	ZS: 1067577
Business name (Company name):	Unique Foods		
Site name:	Unique Foods		
Site address: <i>(Please include full address)</i>	Patahi, Muzaffarpur, Pin- 843113, Bihar	Country:	India
Site contact and job title:	Mr. Sarvesh Parashar – Quality Head		
Site phone:	+91 9999530410	Site e-mail:	quality@kediafresh.com
SMETA Audit Type:	<input checked="" type="checkbox"/> Labour Standards	<input checked="" type="checkbox"/> Health & Safety	<input checked="" type="checkbox"/> Environment <input checked="" type="checkbox"/> Business Ethics
Date of Audit:	04/09/2018 & 05/09/2018/ Desktop Review on 28th September 2018		

Audit Company Name & Logo:

Report Owner (payee):
Unique Foods
Audit Conducted By

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

Report written in black = Periodic Audit / 04th & 05th September 2018
Report written in Blue = Desktop Review /28th September 2018

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 6.0 April 2017 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.

Any exceptions to this must be recorded here (e.g. different sample size): None

Auditor Team (s) (please list all including all interviewers):

Lead auditor: Kushan Banerjee

Team auditor: Nil

Interviewers: Kushan Banerjee

Report writer: Kushan Banerjee

Report reviewer: --Monica Vyas Intertek

Desktop Reviewed by Krithika Sureshkumar

Date of declaration: 04-05/09/2018

Date of Verification: 28th September, 2018

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.

This report provides a summary of the findings and other applicable information found/gathered during the social audit conducted on the above date only and does not officially confirm or certify compliance with any legal regulations or industry standards. The social audit process requires that information be gathered and considered from records review, worker interviews, management interviews and visual observation. More information is gathered during the social audit process than is provided here. The audit process is a sampling exercise only and does not guarantee that the audited site prior, during or post-audit, are in full compliance with the Code being audited against. The provisions of this Code constitute minimum and not maximum standards and this Code should not be used to prevent companies from exceeding these standards. Companies applying this Code are expected to comply with national and other applicable laws and where the provisions of law and this Code address the same subject, to apply that provision which affords the greater protection. The ownership of this report remains with the party who has paid for the audit. Release permission must be provided by the owner prior to release to any third parties.

Audit Parameters

Audit Parameters			
A: Time in and time out	Day 1 Time in: 11.15 AM Day 1 Time out: 6.40 PM	Day 2 Time in: 09.15 AM Day 2 Time out: 2.00 PM	Day 3 Time in: NA Day 3 Time out: NA
B: Number of Auditor Days Used:	01 Auditor in 02 days – 1.5 Man-days		
C: Audit type:	<input type="checkbox"/> Full Initial <input checked="" type="checkbox"/> Periodic <input type="checkbox"/> Full Follow-up <input type="checkbox"/> Partial Follow-Up <input checked="" type="checkbox"/> Partial Other –Desktop Review		
D: Was the audit announced?	<input checked="" type="checkbox"/> Announced <input type="checkbox"/> Semi – announced: Window detail: <input type="checkbox"/> Unannounced		
E: Was the Sedex SAQ available for review?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, why not		
F: Any conflicting information SAQ/Pre-Audit Info to Audit findings?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If Yes , please capture detail in appropriate audit by clause		
G: Who signed and agreed CAPR (Name and job title)	Mr. Sarvesh Parashar – Quality Head		
H: Is further information available (if Y please contact audit company for details)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
I: Previous audit date:	17-18/08/2017		
J: Previous audit type:	Initial		
K: Was any previous audit reviewed during this audit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		

Audit attendance	Management	Worker Representatives			
	Senior management	Worker Committee representatives		Union representatives	
A: Present at the opening meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
B: Present at the audit?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
C: Present at the closing meeting?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
D: If Worker Representatives were not present please explain reasons why (only complete if no worker reps present)	Workers representative were present in the in the opening and closing meeting.				
E: If Union Representatives were not present please explain reasons why: (only complete if no union reps present)	No union exist in the facility.				

Guidance:

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

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

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

Root cause (see column 4)

Note: it is not mandatory to complete this column at this time.

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

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

Next Steps:

1. The site shall request, via Sedex, that the audit body upload the audit report, non-compliances, observations and good examples. If you have not already received instructions on how to do this then please visit the web site www.sedexglobal.com.
2. Sites shall action its non-compliances and document its progress via Sedex.
3. Once the site has effectively progressed through its actions then it shall request via Sedex that the audit body verify its actions. Please visit www.sedexglobal.com web site for information on how to do this.
4. The audit body shall verify corrective actions taken by the site by either a "Desk-Top" review process via Sedex or by Follow-up Audit (see point 5).

5. Some non-compliances that cannot be closed off by "Desk-Top" review may need to be closed off via a "1 Day Follow Up Audit" charged at normal fee rates. If this is the case then the site will be notified after its submission of documentary evidence relating to that non-compliance. Any follow-up audit must take place within twelve months of the initial audit and the information from the initial audit must be available for sign off of corrective action.
6. For changes to wages and hours to be correctly verified it will normally require a follow up site visit. Auditors will generally require to see a minimum of two months wages and hours records, showing new rates in order to confirm changes (note some clients may ask for a longer period, if in doubt please check with the client).

Corrective Action Plan

Corrective Action Plan – non-compliances									
Non-Compliance Number <i>The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new non-compliance identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Non-Compliance <i>Details of Non-Compliance</i>	Root cause <i>(completed by the site)</i>	Preventative and Corrective Actions <i>Details of actions to be taken to clear non-compliance, and the system change to prevent re-occurrence (agreed between site and auditor)</i>	Timescale <i>(Immediate, 30, 60, 90, 180, 365)</i>	Verification Method <i>Desktop / Follow-Up [D/F]</i>	Agreed by Management and Name of Responsible Person: <i>Note if management agree to the non-compliance, and document name of responsible person</i>	Verification Evidence and Comments <i>Details on corrective action evidence</i>	Status <i>Open/Closed or comment</i>
0B. Management systems and code implementation-01		None observed on the day of audit.							
1 Freely chosen Employment		None observed on the day of audit.							
2 <u>Freedom of Association</u>		None observed on the day of audit.							
3: Safety and Hygienic Conditions-01	New	Description of non-compliance: During facility tour it was noted that facility had not marked the 01	<input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other –	It is recommended to the facility to provide the exit mark in the first floor of the	30 Days	Desktop	Yes Mr. Sarvesh Parashar – Quality Head	Upload in SEDEX Portal- the digital of the marked exit.	Closed on 28 th September 2018 by Desktop Review

		<p>out of 02 exits in the first floor of the production building (storage and filling section).</p> <p>Local Law:</p> <p>According to rule 68 9(f) of The Model Rules of The Factories Act, 1948: The exits shall be marked in a language understood by the majority of the workers.</p>	<p>please give details:</p>	<p>production</p>					<p>Closed on Sedex on 28th September 2018</p>
3: Safety and Hygienic Conditions-02	New	<p>Description of non-compliance:</p> <p>During facility tour it was noted that facility had not posted evacuation plan marked in the first floor of the production building where stored the production material.</p> <p>Local Law:</p> <p>In accordance with Factories Act 1948, Section 38 (1) In every</p>	<p><input type="checkbox"/> Training</p> <p><input checked="" type="checkbox"/> Systems</p> <p><input type="checkbox"/> Costs</p> <p><input type="checkbox"/> lack of workers</p> <p><input type="checkbox"/> Other – please give details:</p>	<p>It is recommended to the facility to provide the evocation plan in the first floor of the production building where stored the production material.</p>	30 Days	Desktop	<p>Yes</p> <p>Mr. Sarvesh Parashar – Quality Head</p>	<p>Upload in SEDEX Portal- the digital of the posted evacuation plan.</p>	<p>Closed on 28th September 2018 by Desktop Review</p> <p>Closed on Sedex on 28th September 2018</p>

		<p>factory, all practicable measures shall be taken to prevent outbreak of fire and its spread, both internally and externally, and to provide and maintain (a) safe means of escape for all persons in the event of a fire, and (b) the necessary equipment and facilities for extinguishing fire. (2) Effective measures shall be taken to ensure that in every factory all the workers are familiar with the means of escape in case of fire and have been adequately trained in the routine to be followed in such cases.</p>							
3: Safety and Hygienic Conditions-03	New	<p>Description of non-compliance:</p> <p>During document review and management interaction it was noted that facility 02 boiler annual</p>	<p><input type="checkbox"/> Training <input checked="" type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input type="checkbox"/> Other – please give details:</p>	<p>It is recommended to the facility to obtain renewed boiler inspection certificate from the authority at</p>	30 Days	Desktop	<p>Yes</p> <p>Mr. Sarvesh Parashar – Quality Head</p>	<p>Upload in SEDEX Portal- the scan copy of renewed inspection certificate.</p>	<p>Closed on 28th September 2018 by Desktop Review</p> <p>Closed on Sedex on 28th September</p>

		<p>inspection was expired on dated 16/07/2018 (for 144 M2 and 185 M2 rating boilers).</p> <p>However, facility had applied for the renewal on dated 23/08/2018 (for 144M2 boiler) and 27/08/2018 (for 185M2 rated boiler)</p> <p>Local Law: THE INDIAN BOILERS ACT, 1923, Section 8, (1) A certificate authorising the use of a boiler shall cease to be in force: (a) on the expiry of the period for which it was granted.</p>		earliest.					2018
4 <u>Child Labour</u>		None observed on the day of audit.							
5. <u>Living Wages and Benefits-01</u>	New	<p>Description of non-compliance:</p> <p>It was noted from the document review that Provident Fund contribution was submitted late as per below details:</p>	<input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details:	It is recommended to the facility to submit all Provident Fund contribution within time limit (15 th day of net month).	60 Days	Desktop	Yes Mr. Sarvesh Parashar – Quality Head	Upload in SEDEX Portal- the scan copy of submitted Provident Fund contribution receipts to show the date of submission with in 15 th day of next	<p>Closed on 28th September 2018 by Desktop Review</p> <p>Closed on Sedex on 28th September</p>

		<p>a. The July 2018, June 2018 and May 2018 contribution submitted on dated August 24, 2018.</p> <p>Local Law or ETI requirement:</p> <p>In accordance with Employees Provident funds Scheme, 1952, Paragraph 38, (1) The employer shall, before paying the member his wages in respect of any period or part of period for which contributions are payable, deduct the employee's contribution from his wages which together with his own contribution as well as an administrative charge shall be deposited within fifteen day's of the close of every month.</p>						month.	2018
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<p>5. <u>Living Wages and Benefits-02</u></p>	<p>New</p>	<p>Description of non-compliance:</p> <p>It was noted from the document review that Employee State Insurance contribution was submitted late as per below details:</p> <p>a. The July 2018, June 2018 and May 2018 contribution submitted on dated August 21, 2018.</p> <p>Local Law or ETI requirement:</p> <p>Amendment to Regulation 31 of the Employees' State Insurance (General) Regulations, 1950 - copy of Gazelle Notification. Regulation 31 stands amended whereby the</p>	<p><input type="checkbox"/> Training <input type="checkbox"/> Systems <input type="checkbox"/> Costs <input type="checkbox"/> lack of workers <input checked="" type="checkbox"/> Other – please give details:</p>	<p>It is recommended to the facility to submit all Employee State Insurance contribution within time limit (15th day of net month).</p>	<p>60 Days</p>	<p>Desktop</p>	<p>Yes</p> <p>Mr. Sarvesh Parashar – Quality Head</p>	<p>Upload in SEDEX Portal- the scan copy of submitted Employee State Insurance receipts to show the date of submission with in 15th day of next month.</p>	<p>Closed on 28th September 2018 by Desktop Review</p> <p>Closed on 28th September 2018</p>
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		contribution in respect of any employee shall be paid within 15 days of the last day of the calendar month in which the contributions fall due. This shall come into force with effect from the contribution payable for the month of June, 2017 i.e. by 15th July, 2017.							
6 <u>Working Hours</u>		None observed on the day of audit.							
7 <u>Discrimination</u>		None observed on the day of audit.							
8 <u>Regular Employment</u>		None observed on the day of audit.							
8A <u>Sub-Contracting and Homeworking</u>		None observed on the day of audit.							
9 <u>Harsh or Inhumane Treatment</u>		None observed on the day of audit.							
10 A <u>Entitlement to Work</u>		None observed on the day of audit.							

10 B 2 Environment 2- Pillar-01		Not applicable as 2 Pillar audit.							
10B4 Environment 4- Pillar		None observed on the day of audit.							
10C <u>Business</u> <u>Ethics</u>		None observed on the day of audit.							

Corrective Action Plan – Observations

Observation Number <i>The reference number of the observation from the Audit Report, for example, Discrimination No.7</i>	New or Carried Over <i>Is this a new observation identified at the follow-up or one carried over (C) that is still outstanding</i>	Details of Observation <i>Details of Observation</i>	Root cause <i>(completed by the site)</i>	Any improvement actions discussed <i>(Not uploaded on to SEDEX)</i>
OB: Management system and Code Implementation	New	It was noted from the review of records that the facility does not have written policy and procedures specific to land rights.	Facility does not aware of the same.	It is recommended the facility to establish and document the written policy and procedures specific to land rights.

Good examples

Good example Number <i>The reference number of the non-compliance from the Audit Report, for example, Discrimination No.7</i>	Details of good example noted	Any relevant Evidence and Comments
	None observed	

Confirmation

<p>Please sign this document confirming that the above findings have been discussed with and understood by you: (site management) <i>If actual signatures are not possible in electronic versions, please state the name of the signatory in applicable boxes, as indicating the signature.</i></p>		
A: Site Representative Signature:	Mr. Sarvesh Parashar	Title – Quality Head Date – 04/09/2018 & 05/09/2018
B: Auditor Signature:	Kushan Banerjee	Title – Lead Auditor Date- 04/09/2018 & 05/09/2018
C: Please indicate below if you, the site management, dispute any of the findings. No need to complete D-E, if no disputes.		
D: I dispute the following numbered non-compliances:		
E: Signed: (If <u>any</u> entry in box D, please complete a signature on this line)	Mr. Sarvesh Parashar	Title – Quality Head Date – 04/09/2018 & 05/09/2018
F: Any other site Comments:		

Guidance on Root Cause

Explanation of the Root Cause Column

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

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

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

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

Some examples of finding a "root cause"

Example 1

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

Example 2

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

Example 3

A site uses fines to control unacceptable behaviour of workers.

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

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

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

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

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

Disclaimer

Any proposed Corrective Action Plan (CAP) closed utilizing a Desktop Review is limited by the evidential documentation provided by the facility in order to correct the non-compliance. The intent of this service is to provide assurance that the facility is on the correct path with its proposed or completed corrective actions. Intertek cannot be held responsible for the falsification of evidence or the effective implementation of the proposed corrective actions, which in many instances may only be truly validated by an onsite Audit visit owing to the limitations of the desktop review process. The facilities shall be wholly responsible for the correct and effective implementation of their proposed CAP.

Intertek nor any of its affiliates shall be held liable for any direct, indirect, threatened, consequential, special, exemplary or other damages that may result including but not limited to economic loss, injury, illness, or death arising from the inability of a facility to implement its CAP.



For more information visit: Sedexglobal.com

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

You can leave feedback by following the appropriate link to our questionnaire:

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http://www.surveymonkey.com/s.aspx?sm=riPsbE0PQ52ehCo3lnq5lw_3d_3d

[Click here for Supplier \(B\) members:](#)

http://www.surveymonkey.com/s.aspx?sm=d3vYsCe48fre69DRgIY_2brg_3d_3d