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As pressure builds up, TN mills rectify conditions

Netherlands' Campaigners Expose Sumangali Scheme in SA8000 Certified Mills

In yet another international report, the 'exploitive', 'abusive' and 'inhuman' labor practices prevalent in the Indian textile industry has been highlighted. But SOMO and ICN report has also accentuated, how, right under governments' nose, an institutionalized dowry 'scheme' ran. Under the Sumangali (happily married women in Tamil language) Scheme workers are recruited with the promise that they will receive a considerable amount of money after completion of three to five years of employment. According to the report, "This amount can be used to pay for a dowry. This exploitative scheme is tantamount to bonded labour, because employers withhold part of the workers' wages until they have worked there for three to five years. In addition it was found that workers are severely restricted in their freedom of movement and privacy." The Sumangali Scheme was introduced 10 years ago by textile and garment manufacturers in the Coimbatore and Tirupur districts. It is now widespread throughout Western and Central Tamil Nadu. **This is how the luring begins:** 'We request you to bring us the lovely girls you know and make their lives prosperous as a lighthouse'. Factories advertise their jobs with attractive posters and pamphlets, presenting the Sumangali Scheme as 'a unique opportunity for young women' to earn up to 40,000 rupees in three years. The offer also includes comfortable accommodation, three nutritious meals a day and leisure and educational activities. Besides these types of posters, factories also use recruiters. Recruiters are hired by the factories and receive

> This article draws primarily from a report written by the India Committee of the Netherlands (ICN) and the Centre for Research on Multinational Corporations (SOMO). It is based on desk research and field research undertaken by SOMO, ICN and the Campaign Against Sumangali Scheme (CASS). A number of local NGOs affiliated with CASS have contributed to the research but prefer not to be mentioned by name, due to security concerns.

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approximately 500 rupees per recruit. They visit poor villages, and identify the families with daughters in the age between 14 and 21, or even younger, that are in financial need. The recruitment intensifies during the school holidays, because school dropouts are seen as an important target group.

According to various estimates by national and international NGOs and research groups, an estimated 120,000 (going up to 300,000) workers are currently employed under the scheme. Sumangali workers are mainly recruited from impoverished districts of Tamil Nadu.

Number of workers under Sumangali Scheme			
District	Total No. of Factories	Factories with Sumangali Scheme Practices	Number of women workers in scheme practices
Tirupur / Spinning Mills	130	77	20,000
Erode / Spinning Mills	157	63	22,700
Erode Garment Industry	19	7	6,500
Dindigul / Spinning Mills	166	52	28,135
Coimbatore / Annur*	121	92	21,765
Total	**593**	**291**	**99,100**

* Only the Annur Block in Coimbatore was included in the survey. It is estimated that the number of factories using the Sumangali Scheme in the whole district of Coimbatore might be three times as high as the number included in the table.

Injustice met out to the laborers in Sumangali Scheme:

▶ The lump sum amount that workers may receive at the end of the period varies from Rs. 30,000 to Rs. 56,000 for three years. Besides this amount, to be paid at the end of the contract period, Sumangali workers receive a monthly stipend. This stipend varies greatly from factory to factory. Interviewed workers reported monthly wages from around Rs. 900 to Rs. 3500. If the lump sum is added to the monthly wages, the total amount earned in the contract period in most cases does not equal the amount a worker would have earned if she had received the minimum wage for an apprentice in the garment industry. (Daily minimum wage in TN mills and garment sector, i.e. 171 * 30 days * 36 months = Rs. 184,680)

▶ Local partner organizations of SOMO and ICN documented 652 cases where the lump sum has not been paid. Reason for these can vary from non-fulfillment of either contract period of 3 years (amounting to bonded labor) or some frivolous contract term (separate study shows only 3.9% received a contract!). In some cases the workers cannot complete the contract period because they fall sick due to unhealthy work conditions or they are terminated just before the end of contract period on 'justified' grounds.

▶ Tamil Nadu's local law allows manufacturers to employ workers as apprentices for a maximum period of three years while in the rest of India the apprenticeship period is limited to a maximum of one year. Hiring workers as apprentices means that the employer can pay these workers an 'apprenticeship wage'. Furthermore, apprentices are excluded from the protection of most labor laws. The field research carried out for this report shows that workers employed under this scheme cannot be considered as apprentices. According to the Apprenticeship Act, a worker can be qualified as an apprentice if the employer maintains a record of the training of the apprentice and issues a certificate of proficiency after the apprentice passes a test at the end of the training period. The interviewed workers said that they do not follow

Workers and their parents participate in a discussion session with researchers.

Source: Fair Labour Association

any training or courses nor do they have to do a test after completion of the training period. None of the interviewed ex-workers received a certificate of proficiency.

▶ Female teenagers from distant country land are employed as 'camp coolies' in the hostels on the mill premises in atrocious living conditions. They are expected to work for longer hours, up to 24 hours in peak seasons, as they don't have any 'work' back in the hostel. Their freedom of movement outside the mill premises is severely restricted once in many weeks, that too only when accompanied by a guard. There is always a threat of sexual abuse in such setups. Freedom of association is completely prohibited.

In short exploitation in terms of longer hours and lower wages, deplorable occupational health and safety conditions, ill-treatment by management, confinement to inhospitable dormitories is what a teenage girl gets on her way to 'happy married life'.

SOMO and ICN report 'Maid in India', published in April, 2012, provides an update of labor conditions in the Tamil Nadu garment and textile industry and examines the current situation at the four garment manufacturers originally investigated for 'Captured by Cotton' in May 2011, i.e. Bannari Amman, Eastman Exports Global Clothing, K.P.R. Mill and SSM India.

SOMO and ICN analyzed export data from Tuticorin and Madras (Chennai) ports. The analyzed export data show that companies sourcing from Tamil Nadu include giant retailers such as Kmart, Tesco and Migros; department stores such as Marks & Spencer and C&A; fashion brands like Ralph Lauren, Tommy Hilfiger and Diesel; (fast) fashion retailers including Inditex and Primark and buying houses such as Crystal Martin.

BANNARI AMMAN GROUP

The Bannari Amman Group is one of the largest industrial conglomerates in South India with a wide spectrum of manufacturing, trading, distribution and financing activities. Two of the groups' companies engage in textile and garment production: Bannari Amman Spinning Mills and Shiva Tex Yarn. Bannari Amman/Shiva Tex Yarn operates two spinning mills in Dindigul. A Coimbatore unit houses spinning, knitting, weaving and garmenting facilities. The garmenting units operate under the names Yeswe Creations and Bannari Amman Apparels. Both garmenting units are WRAP certified.

Scheme workers

1,250 workers are employed under multi-year contracts (three to four and a half years) whereby a lump sum payment is promised at the end of the contract period. Field research conducted in late 2011 revealed that scheme workers are found in all of Bannari Amman's units.

In its reaction to the draft version of this report, Bannari Amman writes that 'there is no scheme under any name for hiring and engaging workers in our Group Units'. The company does not provide any details about how it recruits workers, be it direct, via brokers or via recruitment agencies.

Dormitories and freedom of movement

Over 1000 workers live in Bannari Amman's hostels. Workers that live in the factory hostels (located on the factory grounds) are allowed to leave the hostel accompanied by their parents when they come to visit their daughters.

This happens rarely though (once or twice in six months), since most parents live far away. Workers are also permitted to leave the hostels in a group accompanied by a warden once every 15 days.

Child labor

The researchers did not find indications of workers under the age of 14 at Bannari Amman. The youngest workers found among Bannari Amman's work force are 16 years old.

Wages

Workers in the spinning units receive a daily wage that starts at Rs. 90 (€1.38) and usually increases until Rs. 110 (€1.69) at the end of the contract period. Scheme workers receive a lump sum payment ranging from Rs. 40,000 (€615) for three years to Rs. 75,000 (€1152) for four and a half years. The new field research finds that Bannari Amman has changed its practices. Interviewed workers said that if they would leave the factory now, before the contract period has ended, they will receive the lump sum amount that they saved so far.

Working hours and overtime

The spinning units operate 24 hours a day. Workers, especially hostel workers, often have to work for 12 up to 16 hours a day (this happens three or four times a week according to the interviewed workers) and sometimes even three shifts in a row.

The weekly day-off is not always respected, as workers regularly have to work on Sundays. Production targets for workers are set unrealistically high. Workers are obliged to continue until they complete the target, while being screamed at by the (male) supervisors. Workers are not paid for the extra hours they need to work in order to complete production targets. However, Bannari Amman falsifies these claims.

Occupational health and safety

The interviewed workers said that they had not heard about any serious injuries.

Freedom of association

There is no trade union presence at Bannari Amman nor did the interviewed workers know about the existence of a workers' committee.

Conclusion

Comparing last year's data with the new field research, SOMO and ICN conclude that Bannari Amman has implemented some changes.

The most significant improvement, however, is that as of August 2011, it is possible for workers to receive the saved wages if they decide to leave the factory before the contract period has ended.

This means that workers are not forced to complete the entire period of three to four and a half years in order to receive the wages they are entitled to. No improvements have been reported relating to forced and excessive overtime hours.

Eastman Exports Global Clothing

Eastman Exports is one of the biggest players in the Tamil Nadu textiles and garment industry and supplies to a large group of European and US brands. The company is both vertically and horizontally integrated, operating a total of 33 factories. One of Eastman's garmenting units, Nakulan Textiles, is SA8000 certified.

Scheme workers

As of April 2010, Eastman phased out the lump sum payment system. Workers are now paid on a monthly basis, without any part of the wages being withheld. A settlement was reached with workers that were working under the Sumangali Scheme at that time. Workers were paid out the wages that had been withheld and were offered the choice to continue working for the factory and receive a monthly wage, without part of the wage being withheld.

Dormitories and freedom of movement

Interviewed workers said that the hostel accommodation has improved during the last year. Rooms are shared by 10 to 15 workers, depending on the size of the room. Improvements regarding freedom of movement were also reported. In April 2011, some 900 Eastman spinning mill workers were living on the Eastman Spinning Mill campus in Dindigul. Now, around 100 workers reside in this hostel. According to Eastman, workers are staying in 'private and independent hostel accommodations available according to their choice'. While in the past, Eastman did seem to directly manage these dormitories, local researchers were not able to determine who manages them at the moment.

Child labour

The researchers did not find indications of any workers below the age of 14 at Eastman. Eastman claims that as part of the screening process, workers' age proof documents are verified and to have "zero tolerance for child labor".

Wages

New workers start as trainees. Contrary to the widespread practice in Tamil Nadu of hiring workers as apprentices for a period of three years, Eastman has shortened the training period. The trainee period for new workers is now one to two months. In its response to SOMO and ICN, Eastman writes that wages are paid in accordance with the Wages Act. As said before, there is only a legal minimum wage for apprentices in spinning mills. There is no minimum wage in force for regular spinning mill workers or for garment workers.

Working hours and overtime

Conditions are similar to those in Bannari Amman. Workers cannot refuse overtime work. Overtime hours are not paid out according to local law (double rate for overtime hours). Spinning mill workers at Eastman's spinning mills in Dindigul usually work eight hours a day. Overtime is less frequent in these units. In its response to SOMO and ICN, Eastman claims that all workers only work for mandated working hours and that overtime is performed 'subject to the willingness of the workers'. Eastman further claims that double wages are paid for overtime hours.

Occupational health and safety

Safety gear is only provided during inspections. In some departments, there is a lot of machine noise. Workers do not use earplugs and say that they are now accustomed to the noise. It is not clear to the workers why they should use the safety gear. There is a welfare committee, but interviewees said it has never done anything for the workers. The interviewed workers also did not know the names of the welfare committee's representatives.

Freedom of association

There is no trade union presence in Eastman's factories. The interviewed workers are not familiar with trade unions.

Conclusion

In 'Captured by Cotton' SOMO and ICN reported that Eastman started phasing out the Sumangali Scheme from April 2010 onwards. The new research shows that Eastman has indeed reached a settlement with most of the former Sumangali workers. Now, the majority of spinning mill workers are from nearby villages who live at home. Interviewed hostel workers said their freedom of movement has improved. Another improvement is that Eastman has implemented a policy of hiring workers aged 18 but major concerns remain regarding excessive and forced overtime, occupational health and safety and freedom of association. That 'unions exist in the places where Eastman units are located' does not suffice. What is required is that unions can access worker and negotiate on their behalf.

K. P. R. Mill

K. P. R. Mill is a stock listed producer of ready-made knitted apparel and cotton knitted fabric and yarn. The company has six production units and employs more than 9,000 workers. It operates a spinning mill (Indiampalayam unit) at Sathyamangalam in the Erode district. Two spinning & knitting units are located in Coimbatore (Karumathampatti and Neelambur plant). A garmenting unit is based in Tirupur. K.P.R. Mill's Sipcot unit in Perundurai specializes in dyeing, bleaching and compacting. The Arasur complex in Coimbatore is the biggest production unit, housing spinning, knitting and garmenting units. Four K.P.R. Mill units are SA 8000 certified: K.P.R. Mill Limited (Neelambur, Coimbatore), K.P.R. Mill Limited (Arasur Post, Coimbatore), K.P.R. Mill Limited - Processing Division (Sipcot, Perundurai) and Quantum Knits (Arasur Post, Coimbatore).

Scheme workers

All K.P.R. Mill units, except for the Tirupur unit, have hostel facilities. The hostels are located on the factory grounds. In the case of K.P.R. Mill's Karumathampatti unit, the hostel is adjacent to the factory. In total, almost 5,000 K.P.R. Mill workers are residing in hostels. Many workers from all units, except the Tirupur unit, are employed under the Sumangali Scheme.

Scheme workers

The lump sum payment is only paid out if a worker completes the full three years. If a worker leaves before the end of the contract period, she will not be eligible to receive the amount saved up to that date. Some ex-workers were not able to open a bank account after they completed three years of work at K.P.R. Mill because they were younger than 18. Management told them that they could only transfer the money if they had an individual bank account. The researchers have spoken with seven girls that missed receiving their lump sum for this reason. Four ex-workers told the researchers that they did not receive the lump sum because they could not show a wedding card to the management. K.P.R. rubbishes these claims.

Dormitories and freedom of movement

Interviewed workers reported that the hostel accommodation as well as freedom of movement has improved since May 2011.

Child labor

According to SOMO and ICN's local partner organizations, workers aged below 14 at K. P. R. Mill's Sathyamangalam unit were sent home after the publication of 'Captured by Cotton'. During the new research, at another K.P.R. Mill operated unit, however, the local researchers again identified workers under the age of 14 at K. P. R. Mill's spinning and knitting unit at Karumathampatty, Coimbatore.

This is the unit where new workers receive their initial training before being placed at different units. It is estimated that around 10% of workers at this unit are below 14. It is further estimated that 65% of the total workforce at K.P.R. Mill is below the age of 18.

Wages

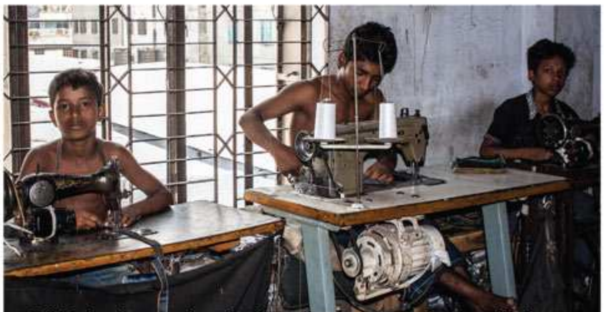
K.P.R. Mill says that wages paid are in line with the Minimum Wages Act of Tamil Nadu. As described earlier in this report, other than a minimum wage for apprentices in textile mills, there is no legal minimum wage for textile and garment workers in Tamil Nadu. Working hours and overtime, Occupational health and safety, Freedom of association situation in KPR Mill are similar to that in Eastman.

Social audits

The interviewed workers reported that before an audit takes place a group of workers receives special training. Management instructs the workers on what to say during an audit. The workers are instructed to say that they work eight hours a day. Also, they are told what to say when they are asked about their wage, hostel conditions, etc. Prior to an audit, workers receive 15 days of 'training', where workers have to repeat the answers dictated by the management over and over. Workers told the researchers that they dreaded these training sessions, they felt tormented having to repeat the same lines over and over again. In its reaction to SOMO and ICN, K.P.R. Mill writes that it offers continuous trainings on basic systems, safety regulations and job oriented training. Workers are also educated on 'various rights and regulations as per the Standing Order'. 'As such no specific training on Pre-Audit is given', says K.P.R. Mill.

Conclusion

K.P.R. Mill is still employing workers with the promise that they will receive a lump sum amount after completing three to five years of employment. This lump sum amount consists of withheld wages and will only be paid out if the full period has been completed. The new research reveals that children under the age of 14 were found to be working at the Karumathampatty unit of K.P.R. Mill. Workers are put under great pressure to give specific answers during social audits. Other concerns are excessive and forced overtime, inadequate safety measures and no freedom of association.



Child labor is prevalent in the Indian textile and apparel industry

The new research also shows that some improvements have been implemented: workers experience slightly more freedom of movement and hostel accommodation has improved. Furthermore, monthly wages and the lump sum amount have increased. In its reaction to the draft report sent by SOMO and ICN, K.P.R. Mill writes that it strictly complies with national labor laws. Along with its response K.P.R. Mill sends a thick package with documentary evidence (most of it in Tamil) that supposedly proves the company's compliance with relevant laws and regulations. All policy documents that were shared are in Tamil, besides a 4- page excerpt of the Factory's Standing Orders. SOMO and ICN cannot assess the quality of the company's policies. Moreover, SOMO and ICN conclude that apparently there is a gap between policies on paper and the reality on the ground.

SSM India

SSM India operates six facilities and employs around 6,500 people. SSM India has two spinning units producing cotton yarn, operating under the name Sri Saravana Spinning Mills, both located in Dindigul district. The company's yarn processing division is known as SSM Fine Yarn. SSM Fabric is the division where dyed yarns are processed into piece-dyed fabrics. SSM Fine Yarn and SSM Fabric are also located in Theni district. SSM further operates two garmenting divisions, Sumeru Knits in Coimbatore district and Sumeru Knits Unit-2 (also known as Sumeru Garments) in Sathyamangalam (Erode district). In its response to SOMO and ICN, SSM India writes that "We neither have any knowledge nor own a company in the name of SSM Fabric, Theni." The garment divisions supply various European and US clothing brands. Both garment units are SA 8000 certified.

During the research period (August - November 2011), researchers identified scheme workers at all units of SSM India, in total some 4,000 workers. Commenting upon the draft report, SSM India 'very strongly denies' that anyone is recruited on the lump sum system. In March 2012, as part of their ongoing monitoring of the situation in the garment sector, local researchers conducted additional interviews. They cautiously confirm that at the moment, Sumeru Knits (Coimbatore) does not recruit workers with the promise of a lump sum payment anymore. SSM India further writes that for its garmenting units, workers are not recruited through agents or brokers. New workers are recruited through the existing work force, says SSM India. How workers for the other units are recruited is not explained.

Child labor

The local researchers report that workers as young as 12 working at SSM India. Researchers interviewed a girl of 13 at SSM Fine Yarn who told them to have started working there at the age of 12. Girls below the age of 16 are instructed to say they are 16 if anyone asks. The only document indicating the workers' age is a medical certificate. When workers are under 16, these records are falsified. In its reaction to SOMO and ICN, explaining the situation at the non-garmenting units, SSM India writes that "People are recruited only if they are 16 years of age or above." With regard to the garmenting units SSM India writes that "We recruit only people who have attained the age of 18 (with due age-proofs) and through the reference of existing workforce & their parents."

Wages

Wages vary per unit. Wages also differ for residential and non-residential workers. SSM India claims that 'the worker compensation/pay in our garment factories meets & exceeds the minimum wages outlined by our Government.' SSM India says that wages in the garmenting units vary from Rs. 3,120 to Rs. 5,200 per month. In fact, this is not in contradiction with findings presented in this report.

Working hours and overtime

Around 3,000 SSM workers live in the factory hostels. Non-residential workers usually work shifts of 8 hours. Residential workers have to continue working after the non-residential workers have left. Seven-day working weeks are a common practice as are overtime hours. Interviewed workers reported that they feel obliged to work overtime. Supervisors compel the workers to do overtime by making the following comments: 'You are staying in the hostel, what are you going to do, you will get extra money if you work; all your room friends are working you cannot be alone in the hostel, your family is suffering without money, you have to support your mother, father, brother and sister, do not be lazy.....'

Freedom of Association

No trade unions are allowed at any of the units of SSM India. Workers are instructed to consult the factory manager, supervisor or warden if they experience any difficulty. However, the interviewed workers said that they find it difficult to approach these people. In its reaction, SSM India says that workers have the right and are empowered to 'form, join and organize trade unions/committees of their choice to bargain collectively on their behalf with the company/ management'. On this topic no information was provided concerning SSM's non-garmenting units.

Freedom of movement

Conditions have improved since May, 2011.

Occupational health and safety

Interviewed workers reported that their workplace is very dusty and that the temperature is very high. Safety equipment is only provided during audits or during visiting hours. Workers said they feel uncomfortable using the safety gear. Workers from the garment unit reported that the quality of food has improved. However, spinning mill workers complain about the food. They said that they even found worms in the food. SSM India, in its reaction to SOMO and ICN, says that to 'ensure provision of clean, safe & hygienic workplace for all employees', and that there are employees who are trained for first-aid and fire fighting and that all employees are aware of the prevailing health and safety facilities. On this topic no information was provided concerning SSM's non-garmenting units.

Abusive supervisors

The interviewed workers reported verbal abuse by supervisors. In some cases, workers also experienced sexual harassment. Workers hardly dare speak about this subject. Supervisors threaten the girls by saying they will be sent away if they do not do as they are told or if they would inform the factory management about the supervisor's abusive behaviour.

Inadequacy in Government's Policy, Brand's Commitment and Audits

In defining child labor, SOMO and ICN apply ILO Conventions 138 and 182. This implies that all children up to at least 14 should be able to attend full-time education and hazardous labor of children between 14 and 18 is prohibited. According to the ILO Conventions all girls under 18 working in the Tamil Nadu garment industry, making long hours, often including night shifts, under unhealthy circumstances, often far away from home, and with severely restricted freedom of movement, qualify a child laborers or even as bonded laborers. Although these conventions are widely ratified, India has not yet endorsed them. Code of Conducts of only a few Western brands refer to both ILO Conventions, while most content themselves by merely following Indian law, which implies only certain forms of employment of children under 14 are seen as child labor. To date, C&A is the only brand that has agreed to even exchange views on a more ambitious definition of child labor.

Apart from having a cell and few personnel devoted towards CSR activities in their homeland, brands and retailers also need to commit themselves to ensure that such malpractices, as described in SOMO's, ICN's and various other reports are eradicated from their supply chain. According to international standards and practices with regard to supply chains, companies have a responsibility beyond the first tier supplier. As they are the promoters indirectly for all these conscienceless production activities, the onus also lies with them to take the first step towards redemption, if the Indian government and authorities are not ready to break their 'golden silence'. The majority of the brands, however, have not taken any action so far. These are amongst others Diesel, Marks & Spencer, Ralph Lauren, Quicksilver and buying house Crystal Martin, that supplies well-known brands such as Mothercare and Next. On the basis of this research, Social Accountability International (SAI), together with Social Accountability Accreditation Services (SAAS), issued a public statement condemning the abusive use of saving schemes, such as the Sumangali Scheme, as unacceptable. SAI research indicated that the larger CMT (Cut Make Trim) facilities tend not to use the Sumangali Scheme. Sumangali workers typically work in small, family-run spinning mills located in smaller villages. At a SAAS auditors meeting in November 2011 in Bangalore, auditors reported that the Sumangali Scheme is being practiced less. According to SAI, no Sumangali practices were found at SA8000 certified facilities. The June 30, 2011 list of SA8000 Certified Facilities includes a number of units of the four vertically integrated manufacturers investigated by SOMO and ICN:

- K.P.R. Mill Ltd (Neelambur, Coimbatore) - manufacture of cotton yarn
- K.P.R. Mill Pvt. Ltd. (Sathyamangalam, Erode) - manufacture of cotton yarn
- K.P.R. Mill Ltd - Processing Division (Sipcot, Perundurai) - dyeing, bleaching and compacting
- Quantum Knits (part of K.P.R. Mill, Arasur, Coimbatore) - manufacture of knitted garments
- Nakulan Textiles (part of Eastman, Perundurai, Erode) - manufacture of garments
- Sumeru Knits (SSM India, Sathyamangalam, Erode)-manufacture of garments

WHAT CAN BE DONE?

Apart from the audits by certifying agencies, government could initiate actions against rule violating enterprises and even social boycott could prevent exploitation of weaker section of the society.

- No mill/project should be allowed to avail the benefits of TUFS or any other government scheme, founded to be employing bonded labor or indulging in any of the malpractices described, by credible national or international organization (media, NGO, research organization, auditors, brands etc)
- Reputed Textile Machinery/Dyestuff/Auxiliary/Service providers should also avoid doing business with the tainted factories, so that the 'exploitive', 'abusive' and 'inhuman' labor practices prevalent in the Indian Textile Industry do not get fanned.
- Social boycotting of brazen law-breakers by all the export promotion councils and other industry associations. Also, the government should stop the issuance of Certificate of Origin and other permissions, for units found to be flouting norms.
- Some of the vertically integrated mills get only their final garmenting unit audited and do the billing from there. But the upstream facilities are far below acceptable standards. Sometimes, units belonging to the same owner are registered under distant third party's name, to avoid scrutiny of malpractices. Brands should start demanding auditing of their ENTIRE supply chain, and not just a mere eye-wash. Social auditing agencies should stop gold-plating tainted organizations and employ personnel and resources that can understand and break this nexus.

Upon implementing the auditing instructions developed by SAI and SAAS, auditors found the spinning mill of KPR Mill Pvt. Ltd in Sathyamangalam mentioned in 'Captured by Cotton' to be noncompliant with SA8000, confirming the findings in SOMO's report, and as a result, the company lost its SA8000 certification. The other units mentioned above remain certified. New to the list of certified facilities is the Sumeru Knits unit in Kamanaickenpalayam, Palladam. As of March 2012, SAAS and SAI are instituting a follow-up investigatory mechanism. The program, under the name Market Surveillance Visits, is comprised of high-level audits conducted directly by SAAS staff and auditors.

Brands' Reaction

C&A in its reaction says one of the steps it has taken to tackle the complex issue of Sumangali is to develop a strategy with their supplier SSM India to resolve labor issues further down its supply chain. Furthermore Sumeru Knits agreed to withdraw business from all mills that are still using the scheme, even if these companies belong to the SSM group, a family company. These actions are now being implemented and will be completed by the end of August 2012, from then on SOCAM (C&A's auditing organization) will monitor.

Cortefiel (Springfield): 'Eastman Exports is a supplier of ranking A that fulfils all the certificates and is not giving problems'. In its annual report 2011, **Inditex** states that none of its suppliers uses the Sumangali scheme. In 'Maid in India' it was found that one Inditex brand (Pull and Bear) sources from Eastman as well. Eastman is indeed the producer where most improvements were found.

German TV stations ZDF and ARD in March and June 2012 each broadcasted a documentary on Sumangali. In the ZDF broadcast, C&A is the only brand willing to react. ARD has approached Ernstings Family, who in first instance denied that they still source from KPR Mill and assured that they do regular audits. When confronted with export data, Ernstings Family admitted they did source from KPR, but that this was a delayed delivery, and that they have cut ties with KPR because KPR Mills has breached Ernstings Families' Code of Conduct.

Other reports on Sumangali

'Slavery on the High Street', a report by Anti-Slavery International (1st June 2012), exposes the routine use of practices strongly resembling slavery in the supply chain of top UK brands. Anti-Slavery's research covered manufacturers that were not included in the SOMO/ICN research (SP Apparel, SCM and Prem Group) and who supply to brands such as H&M, Walmart and Migros. ■

(Access all the reports published by SOMO and ICN on this matter by following http://somo.nl/publications-en/Publication_3818/)