

Peoples Union for Democratic Rights (PUDR)

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Accidents, Death, Repression and Unionisation in SPM Autocomp Systems Pvt. Ltd., Manesar: A Report

Industrial Model Township (IMT) in Manesar, Haryana is known, not only as an industrial belt in the National Capital Region (NCR) but also as the home to the Maruti plant and the struggle by its workers. It is well known that 13 active union members of Maruti's Manesar plant have been given life imprisonment by the trial court recently. Workers in this unit managed to get their union registered in January 2012 after months of very hard struggle. The above judgment is reflective of the fact that not only is the formation of a union difficult; the active union members are routinely targeted by the managements. Maruti is not the only company in the area where the workers have been struggling to form unions and are also being penalised for doing so. The workers of SPM Autocomp Systems Pvt. Ltd. are suffering the same fate at the hands of the management and police and the domino effect of Maruti struggle and convictions have been felt in SPM struggle documented below.

The struggle for union formation in SPM became urgent since April 2017 after a worker died in the factory in horrific conditions. PUDR conducted a fact-finding into the conditions in the factory on the 18 and 24 of October. The team met the workers, the police at the Police Station (PS) for Sector 3 (Aliyar PS), Manesar and the lawyer dealing with the cases of the workers. The team also went to the plant in order to meet the management but no one from the management was available.

Manufacturer of Exhaust Manifold, Case Differential & Steering Knuckle, SPM company caters to the needs of passenger cars and commercial vehicles for a number of companies including Maruti. In Manesar, the company has a foundry and a machine shop. The former employs unskilled workers whereas the workers in the Machine Shop are often graduates from ITIs. The foundry has nearly 350 workers, of which only a handful is regular employees of the company, the rest are employed on a contractual basis through labour contractors. The Machine Shop, on the other hand, has 180 regular workers and some contractual workers. Apart from these, there are 10-15 workers employed for packaging, loading, unloading, cleaning and other miscellaneous tasks.

Incident: Death or Murder

On 6 April, at 5.30 a.m. Shatrughan, a safai karamchari aged 24, working on contract basis, accidentally got stuck in the belt in the foundry. At 7 am, other workers came to know of it and they demanded to speak with the management in order to cut the belt to rescue Shatrughan. However, the management did not allow this and the workers resorted to a 'tool down'. By this time, Shatrughan's family had also arrived. The tool down was lifted around 9

am after the management arrived. But since the owner did not come and no dialogue happened, the tool down was re-started and continued for nearly 7 hours till the owner arrived at midday. Two vans of police arrived. At around 9.30am as many as 20-30 union leaders from nearby factories also came to show support. Later an FIR was lodged against 33 of these including the secretaries and body members for trespassing and vandalism. Hundred unknown workers are also mentioned in the FIR.

Shatrughan was finally released but was left lying in a near death state at the gate for one and a half hours. Finally, he was taken to Rockland hospital by the management. The company, management and the contractors tried to suppress the incident. Initially only the management went to the hospital. Later, it asked for the family to be sent to the hospital but without being accompanied by the workers. Also, the workers were told that he had regained consciousness. The workers disbelieved this and refused to let the family go alone. It was only then that the death was declared. Newspapers reported that Rs. 11 lakhs were paid to the family as compensation, by the company and two FDs of Rs.3 lakhs each were made for the two children. Also, there was a report of Rs. 5000/- being given to each child on a monthly basis till they become major. However, there is no corroboration of the compensation and the family has gone back to their native village in Bihar.

Regular accidents and work pressure

According to the workers, the above has not been the only accident. They claim that as many as 6 deaths have happened in the factory in earlier years. Minor accidents are a routine matter. Recently, a worker who has 8 years of experience, suffered eye injury during work. He has not been given any compensation. He continues to work and the management has refused to discuss the matter. It is claimed by the workers that small accidents like cutting off digits of fingers happen almost on a fortnightly or a monthly basis. There have been accidents in July 2017 and October 2017 where in the first case, a worker's finger was cut off and in the second one, a worker's arm got entangled in the conveyor belt. In such cases, the company pays for one-time treatment but no compensation is paid. In case the worker is unable to join back, he is treated to be on leave and his wages are deducted. Even when the worker can and does join back, no relaxation is given to the injured worker in terms of nature of the work.

The workers attribute regular accidents to excessive workload. There are no tea breaks during the shift and no reliever is provided for the workers. If a worker needs to use the wash room, he has to request another worker to step in for him along with doing his own work. This leads to situations where one worker may be forced to operate two machines for a while. The workers complain of being fatigued and overworked and despite this, the production targets have been going up continuously. For instance, a terminated worker from VMC (Vertical Machine Control) said that within a span of 5 years, the production target in a single shift almost doubled from 60 pieces to 110 pieces. And this was done without changing the machines physically, but simply by increasing the speed of the machines.

Work conditions:

Apart from the accidents, the work conditions in general are quite bad. The workers believe that this is on account of lack of a workers' union. The only companies in the Manesar belt where the work conditions are better are those with a union, they claim. The companies with a similar work profile but with a union pay a monthly wage of Rs 20-25,000 whereas at the SPM, the wage is merely the minimum wages of Rs. 8279.

The conditions of employment are different at the Foundry and the Machine Plant. The Foundry works on two shifts of 12 hours each, with shifts changing at 7 am and at 7 pm. The workers employed here are forced to work all seven days a week. Although they receive overtime (OT) wages for the work on Sunday, but the overtime rate is the same as non-overtime, in violation of the laws (Minimum Wages Act, 1948 and the Factories Act 1948) which require a double rate for overtime. Even on national holidays like 15 August, the work carries on discreetly in the night shift. The timing of the salary payment to these workers is delayed and irregular, with the Foundry workers getting paid later than the others. Some time back, a worker who had been working on a contractual basis for ten long years was shown to have left and re-joined the company afresh in order to avoid the problem of having to regularise him.

The Machine Shop has more than 350 workers employed in three shifts starting at 7 am, 3 pm and 11 pm. Around 50-60 regular workers and 5-10 contractual workers work in each shift. They have an half an hour break for lunch and are supposed to have an off on Sunday. However, there are times when they have to show up for OT (at single rate even here) on Sundays and failing to do this, they are not allowed to enter the factory for the next few days and accordingly, the wages are deducted. The basic wage salary for a helper grade is Rs. 8,279 per month. The basic wage is same for helper grade worker who is a new entrant as well as experienced workers. However, based on the experience and management's discretion, the experienced workers get some annual increments. Apart from the basic, the only other component of salary is an Attendance Bonus of 15 per cent in situation of full 26-days attendance per month. There is no dearness allowance. PF is deducted at 12% and ESI at 1.75%. A machine operator was drawing a salary of Rs.13,500 after 5 years of experience including the overtime.

According to the workers, the accounting of OT hours of the worker are often fudged by the management and as a rule, 10-15 hours of overtime remain unpaid. Not only this, in case a worker needs to stay back on account of excessive production target, it is not treated as OT but is simply part of that day's regular work. Apart from this, verbal and even physical abuse by the management is quite commonplace.

Unionisation and the Attack on Workers

The work conditions and the regular accidents led the workers to try to unionise. Ten workers from the Machine Shop started discussions among the workers on the need to form a union since last year i.e. 2016. All these ten workers were terminated between 24 April and 30 July, that is, after the incident of April 2017. The reasons given varied from 'netagiri' or assault on

HR manager after April accident or something else. The management threw out some other workers as well who spoke up after the April incident. The workers also reported that after this incident, the MD of the company, Dharmender Batra, boasted in a meeting that the workers will not get any help from anyone whether it be police or courts, within a radius of 60 kms of the company. Another batch of 7/8 workers were terminated on 30 July while 4 were transferred to another plant of SPM outside NCR. One of the terminated workers and a leader, Dheeraj was denied entry into the plant four times on four separate days. Following this, on 18 September, the workers filed an application with the Union Registrar at Chandigarh for registering a union. Some 62 workers signed this application and it has the support of all 180 permanent workers employed.

On 23 September, a collective demand notice was submitted by the workers to Assistant Labour Commissioner's (ALC) office in Gurgaon. The demand notice mentioned increase in the basic wage, increment, double rate overtime and payment of dearness allowance, ending the contract system of employment, provision for earned leave, medical benefits, provision of dispensary and ambulance, leave travel concession. Additionally, it was mentioned that since the process for union registration was ongoing, the management should desist from terminating, harassing and intimidating workers.

The management responded to the union application and demand notice with hostility and coercion. It exacerbated the existing repression and singled out those who are perceived to be involved in the union activity and attacked them in multiple ways. Open and direct threats were given to seven workers in a 'meeting' with the owner. Some, like Sitaram, were punished and made to sit inside a 'room' in the plant and prevented from working. Three were forced to sign papers stating that they were not involved in the formation of the union. Simultaneously, the owner used his political clout via an ex-Sarpanch of neighbouring Kesan village and goons and bouncers were sent to the workers' residences for three successive days. Besides muscle power, monetary incentives have been used for buying out workers and for forcing them to leave the factory premises. One union member has reportedly been bought over.

The process of repression reached a new low on the morning of 10 October when the management called for a 'negotiation' meeting with the union members, including terminated workers. The meeting was staged as the management's goons kidnapped key union advisor, Dheeraj, and prevented him from attending the meeting. From ten in the morning till three in the afternoon, Dheeraj was driven all over Manesar and not allowed to use his mobile phone. Inside the meeting, the management used Dheeraj's absence to browbeat the workers. However, even while they were unaware of Dheeraj's whereabouts, the workers refused to speak without legal counsel. The management then decided to change its tactics and it physically disrupted the meeting and abused the workers and forced them into hired cars. They were taken to the lawyers' canteen in Gurgaon court and kept hostage till about eight in the evening and allowed to leave only after they signed papers stating their withdrawal from union activity. In the next few days, bogus calls were made to two union advisors, Dheeraj and Akhilesh, informing them that an FIR had been lodged against them. On 14 October, nine

workers who had been forced to sign the withdrawal letter were prevented from entering the factory premises.

The Struggle ahead

Despite this concerted attack and the recent terminations which have been done to thwart the formation of the union, the management has not been able to scotch the process as the Labour Office has asked it for validating the names of workers who have applied for the union. In an initial meeting, the management opposed Dheeraj's presence on the grounds that he was a terminated worker; however, since Dheeraj stated that he was present in his capacity as an 'advisor', the management could not have its way. Further, in a later meeting, on 23 October, the Labour Office asked for an explanation for the nine terminations and the management stated that the workers had not been terminated but transferred to its Pune plant. From the time the workers applied for the registration of their union, they have been legally documenting their complaints against the management. For instance, they have complained against the harassment by bouncers in their residences and also against the kidnapping of Dheeraj and the forcible signatures extracted by the management on 10 October. More importantly, they have submitted a complaint against the termination of nine workers on the ground that it violates Section 33 of the Industrial Disputes Act insofar as the management did not take prior permission for transfer from the LC's office, given that a labour dispute was ongoing.

Notwithstanding the legal remedies that are available to the workers, the problem for union registration and legal processes are mired with delays, particularly since the management is adept at dilatory strategies. Further, in total disregard to the intervention of the Labour Office, the management has stepped up its repression on the 9 'transferred' workers. On 2 November, Hridayesh, a 'transferred' worker was beaten up by the ex-Sarpanch of Kasan village for refusing his 'transfer' order. While the workers have been lodging complaints in the local police station against the continuing harassments and intimidation, it is highly unlikely that the police will take cognizance of their complaints. For both the management and the police, the Maruti judgement has come in handy by way of 'example' and resistant workers are constantly reminded of what happened to their Maruti brethren. Given the profiteering preservation of industrial peace in the 'model township' of Manesar, industrial houses and the local police are on good terms and the police told the PUDR team that there were no complaints before it. This is particularly revealing as no charges have ever been framed against the management for causing the death of Shatrughan in April 2017.

In recent weeks the odds are becoming heavier for the SPM workers as the management is attempting segregation on the basis of training—ITI, Polytechnic and BE degree—and has begun fixing differentiated wages for them. Workers feel this is an attempt to divide and break their unity where terminations, threats and intimidation have not borne fruit. Continued repression has shrunk the number of signatories for the formation of the union but the worker leaders claim that even now, the entire workforce of the plant wants the union to be formed. Even if a new body, needs to be formed, the formation of the union is the only way ahead according the workers. The workers take their inspiration from the successful unionizations

in neighbouring units such as Bellsonica, Munjal Kiriu or Sona Steering and they know that their struggle for unionization is the only hope for ensuring better wage pay, better work conditions and dignified lives for all.

Conclusion

The industrial belt in Manesar comprises thousands of factories and is an important cluster for tier 2 and tier 3 units who manufacture components for automobile companies. This trend began with the setting up of Maruti in early 80s at Gurgaon. SPM Autocomp Systems Pvt. Ltd. is one such vendor company of Maruti which was set up in 1995. This entire industry is dominated by contract workers so that the management can avoid the labour conflict. Underpaid and over worked, the only hope for the workers lies in coming together and unionising. Barely a handful of firms in this Manesar industrial belt today possess a registered workers' union.

The right to form a trade union was codified in the Trade Union Act in 1926. After Independence, the Constitution provided it the status of a fundamental right. It thus becomes a bounden duty of the state to ensure that workers are represented as a collective in the factory. The actions by the SPM Autocomp Systems management listed in this report testify the need for a union if workers are to be able to express their grievances at work, highlight the unlawfulness of management practices and participate in collective bargaining, and to ensure a safer work environment. The Constitution and the laws reflect this need: that in a conflict between labour and capital, the state cannot be a bystander. It needs to actively ensure the upholding of rights and the application of labour laws.

As mentioned earlier a Sessions court has ordered life imprisonment to 13 workers of Maruti's Manesar plant for an incident of 18 July 2012. The incident that led to a fire at the factory and the death of a management employee, actually happened while the union members were trying to get illegal suspension of a worker revoked and the rest of the workers supporting them. The judgement has come under criticism by workers unions, rights activists and jurists alike. This report on a much smaller factory in the same region hopes that the institutions of this democratic republic prevent workers from paying so high a price to access their fundamental rights.
