

## **CRUSHED 2020: SUMMARY**

a Safe in India product on worker safety in India's auto sector



## A WORLD OF HURT & HEALING

Chulbul Pandey, the girl announces with a shy but mischievous grin. She says that her birthday is October 2, and that she shares it with Gandhi ji.

"Her real name is Swastika Pandey," her mother Sushma Pandey adds with an indulgent smile. "Her grandmother calls her Chulbul because she's so restless." Sushma invites us to her daughter's upcoming 11<sup>th</sup> birthday.

In her voice and face, we see that celebration is tinged with some concern. Sushma is getting worried as her daughter is crossing into early adolescence. "I go to work, and the girl is growing up, so I am a little scared. I have spoken to a relative in Allahabad about her schooling there."

True Grit Sushma Pandey, 40



Sushma has been injured twice working in factories, losing the thumb and index fingers of her right hand and the small toe of her left foot. Since March 2020, she has been working in a unit that makes masks.

"Sir, I must educate my children, so I have to work. I wouldn't have to work so hard if my husband's family offered any support."

Born in Katihar in Bihar, Sushma was married young into a family that often insulted her over insufficient dowry. In some years, she became a mother and her responsibilities increased. To ensure proper education for her children, Sushma decided to earn. She came with her cousin to Manesar in 2015, bringing her daughter along while letting the son, 14, stay with his grandmother.

She wants her daughter to be an inspector or a magistrate. Swastika aka Chulbul nods as she busily rearranges her dollhouse that she crafted out of discarded cardboard boxes, a plastic toy TV, and some colourful rags. Filling up the rest of that tinny tiny room of 10x12 feet, which includes the kitchen and bathroom, are a mother's indomitable will and her daughter's contagious cheer.

#### Dream Versus Despair Shyam Dev, 22



Shyam Dev Pandit chooses to live on the top floor of the building, though the space can simmer in summer. He says he wants to avoid people because they can make hurtful comments.

He lost the middle and index fingers of his left hand to a power press machine in a factory in Manesar. "People used to say things like 'Two of you roommates have got injured, the third will also get injured'."

He pauses, looking out into nowhere. "And that's what happened."

Shyam had migrated from Jamui Vihar village in Bihar to Manesar and joined the morning swell of daily wagers at Labour Chowk in Gurgaon. The lockdown abruptly severed that opportunity, leaving him penniless. He moved to the government school for shelter.

In May, Shyam and his friends decided to walk back to the village – hundreds of kilometres away - with a total of INR 425 on them. They walked an entire day but were beaten up by the police and forced to come back to Manesar.

He felt rather lucky when he was offered a 'permanent' job in a company. A few days later, the accident struck.

He is now desperate to go back to his village so he can see his son who was born during the lockdown, and organise money to start a bangle shop there.

On this midsummer afternoon, in this sprawling shantytown of patchwork homes, inside this sweltering obscure top-floor room, Shyam's battle feels epic – the battle of dream versus despair.



# The Best Mother Neetu Devi, 37



## Close to 15 curious heads peep in as we start interviewing Neetu Devi in her little room.

Sensing our discomfort, Neetu says: "These are my relatives, let them be." She says they have purposefully rented 7 adjacent rooms to have the community living together.

Born in Etawah in Uttar Pradesh to poor parents, Neetu was taken out of school after passing her Class 2 exam. The reason? She was a girl-child and village customs didn't allow her to study further. She was married without any dowry. She was 15.

Her husband turned out to be an unemployed drunkard. Soon, Neetu had to fend for herself and her three children. She came to Gurgaon in 2011 to join an export company and began working on machines

She met with accidents in 2013, 2017 and 2019 while working on a power press machine, losing a finger each time. Yet, she continues to operate this machine to support her family.

Her daughter Kajal, who is studying back in her village, has passed her Class X exam. She has also learnt to work on computers and wants to get a good job after completing her studies. Whenever Kajal visits, Neetu cooks her favourite food. "This time I made gujiya for her, and also paneer." She emanates the joy of a proud, doting mother.

Kajal considers her mother to be the best in the world. No wonder.

**Alamgir Ansari is very fond of rings.** He always wore one in the middle finger of his right hand – till a few months ago. He has cast aside that one little frill, that one little thrill that he could afford.

If he wears a ring now, people tend to notice his injury more easily and talk about it. Alam lost the middle finger of his right hand a day before the COVID-19 lockdown started.

Alam had migrated to Mumbai from his hometown Gazipur to work in a power loom. The work was on a daily basis and he was not able to bring his family – wife and two children - with him. He moved to Manesar in 2019 looking for a permanent job.

Just before the lockdown on March 22, 2020, Alam went to his company to work on the circular saw machine. He felt something was amiss. Alam informed his supervisor, who forced him to keep working. At around 3 am, Alam was bending down to check the rod when it fell on his hand, severing the middle finger of his right hand.

# Alam informs us that even though he was hired as a helper, he was being used as a machine operator by the supervisor.

Getting treatment, particularly during a lockdown, was an ordeal. His nephew helped him a lot in managing his daily chores. Alam's wound has healed now, and he started working again on May 18, 2020 in the same company - and on the same machine - to support his family.

Alam cannot cut vegetables, operate a mobile, or even eat on his own. The ring, for now, is just a sweet memory of distant times.







### **EXECUTIVE SUMMARY**

#### **JOIN HANDS TO SAVE HANDS**

In August last year, in its first accident prevention report, CRUSHED 2019, Safe in India Foundation (SII) presented an analysis of information provided by 1,369 workers injured in the auto sector supply chain in Gurgaon. The stakeholders in the industry and the government have since accepted the report's findings.

We now share with you the next annual edition, CRUSHED 2020, which has an updated analysis of 1,873 injured workers, 504 of whom SII assisted in the last financial year 2019-20 in Gurgaon and Faridabad. Note that SII's efforts to improve worker safety started only in the middle of that financial year, so improvements are expected only from the financial year 2020-21.

Private sector, regulators, workers and NGOs need to come together to achieve the goal of "Make in India Safely", as the nation strives for atma-nirbharta.

#### **KEY FINDINGS**



#### Injuries and post-accident treatment got worse in Gurgaon-Faridabad

- Injured workers continued to be mostly young (52%), migrants (88%), contractual (65%) and non-unionised (almost all).
- Nature of injuries worsened; lost hands/fingers increased from 61% to 70%.
- Workers who received their ESIC card after the accident increased from 65% to 81%.

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## Although three largest regional OEMs accounted for most injuries, the problem plagues the entire auto sector

- Supply chains of Maruti-Suzuki, Hero and Honda account for 95% of accidents.
- Hero's accidents grew the fastest (13%) in the last three years.
- But about 19% (many common with 95% above) of accidents happened in the suppliers of other OEMs including Ashok Leyland, Eicher, Escorts, JCB, Mahinda, Tata, TVS and Yamaha.
- Almost a quarter of factories in SII's injured worker database are members of ACMA (Automobile Component Manufacturers Association).
- Habitual offenders continue; One-third of accidents occur in only 31 factories!

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#### Power press accidents increased, and their reasons worsened

- Share of power press injuries went up from 52% to 59%.
- Absent/malfunctioning safety sensors/mechanisms on power press were up from 82% to 88%.

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#### Regulations inadequate and enforced poorly; accident under-reporting continued

- Haryana's last publicly available accident information of 2017 shows less than 10% of accidents known to SII annually in the past three years.
- During the period 2011-17 (no publicly available data since), Haryana's factory inspections dropped while Factory Law violations fine was a paltry INR 3,000.
- Power press Indian Standards are disparate and do not converge in a cogent set of safety requirements.
- The Central Government has decided not to set a target against SDG (Sustainable Development Goal) Indicator 8.8 for reporting on worker safety.





#### SII's initial engagement with OEMs after CRUSHED 2019; some positive developments

- Maruti-Suzuki have engaged well with SII and have made a start in improving safety in its supply chain.
- Sadly, Hero and Honda have not been as responsive.
- SIAM (Society for Indian Auto Manufacturers) and ACMA (Automobile Component Manufacturers Association) have started engaging with SII and actions expected.
- Mahindra, Eicher and Maruti have responded to our challenges on their Business Responsibility Reports; Hero, Honda and Bajaj's response awaited.

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# Mixed response from the Central and State governments, relevant agencies, and other relevant ministries; we hope to see better action

- Central government Labour Department has engaged reasonably well with SII and set up an internal committee under DGFASLI (safety arm of the central government).
- OSH labour code drafting team has discussed the draft with the SII team in great detail; final outcome to become clear as the Parliament approves the Code.
- Haryana government has yet to engage fully but have acknowledged SII's recommendations and announced plans to form a committee on accidents.
- Ministry of MSME has signed an MoU with SII to implement a few safety initiatives.

#### A start and a long way to go. A few key recommendations with the rest in the report:

- Central government: to strictly enforce industrial safety regulations + an OSH code that actually
  reduces work-related accidents and illnesses + to form a joint government-industry task force on
  auto sector supply chain.
- Haryana State government: to create a clear and effective plan for the new safety committee.
- Maruti, Hero and Honda: to jointly form a Task Force on supply chain safety.
- **SIAM and ACMA:** to form a national task force/initiative to professionalise and improve industrial safety across the sector, in all auto-hubs in the country.
- Ministry of Skill Development: to set up workers' skill centres and include safety in those skills.
- Ministry of MSME: to improve safety awareness and skills in auto sector supply chain.
- NITI Aayog: to set tangible targets against SDG Indicator 8.8.

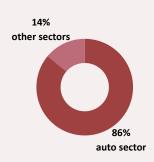
## SII will continue bringing these issues to the fore for all stakeholders and working with all of them. In the next period SII will:

- Assist maximum injured workers with ESIC healthcare and compensation.
- Publish an NGRBC (National Guidelines of Responsible Business Conduct) compliance report for top 10 listed auto companies.
- Publish a report on power press accidents with proposed solutions.
- Empower workers through knowledge on safety especially on power press.

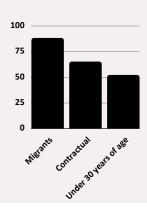
This is just the beginning. There is long way to go and success for workers and Indian manufacturing will need all stakeholders to engage with the intention to make this better for all.



### Proportion of injured workers in Gurgaon and Faridabad from the auto sector increased



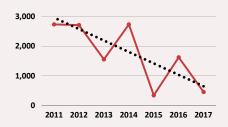
## Most workers in the young, migrant, contractual, non-unionised demographic



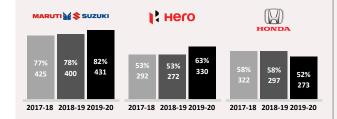
Publicly available accident data only until 2017; Haryana reported less than 10% of accidents that SII knows of since then, just in Gurgaon



Trend line depicting sharply reducing number of factory inspections conducted in Haryana



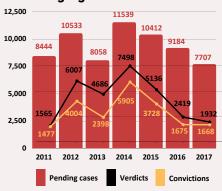
Supply chains of Maruti-Suzuki, Hero and Honda account for 95% of accidents; Hero's accidents grew the fastest (13%)



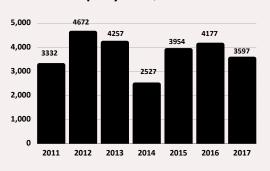
About 19% (many common with 95% above) of accidents happened in suppliers of other OEMs, including Ashok Leyland, Eicher, Escorts, JCB, Mahinda, Tata, TVS and Yamaha



Of the verdicts in Factory Act violation cases, around 71% were convictions indicating high incidence of violations

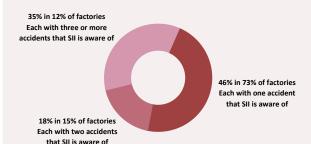


During 2011-17, Haryana's factory inspections dropped while Factory Law violations fine was a paltry INR 3,000

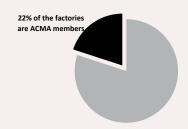




#### Habital offenders continue; One-third of accidents occur in only 31 factories

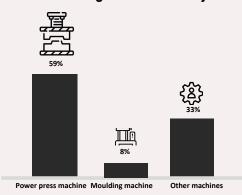


#### Almost a quarter of the factories are **ACMA** members



- Many machines that had sensors did not work when required, leading to accidents. In some instances, the sensor was bypassed to produce faster.
  - Power press machine already had some problem. A worker had already lost his hand in the morning shift. Then I lost my finger in the evening shift. The machine continued giving double stroke.
- Mohan Paswan, 34, lost four fingers of his left hand in 2017 on a 75tonne power press while making auto parts. However, no new safety measures were taken. As a result, he lost the palm of the same hand performing the same kind of job on a 30-tonne power press in 2019. Only after that did the factory install a yellow arm safety guard. ••

#### Power press: The most dangerous machine causing 59% of worker injuries



#### **OEMs' compliance with the NGRBC** (National Guidelines on Responsible Business Conduct)

NGRBC	MARUTI 💥 💲 SUZUKI	I; Hero	HONDA	<b>M</b> ahindra	<b>≱</b> BAJAJ	EICHER
Formal response to analysis	SII	•	•		•	
BRR in SEBI format						
Principle 3 about we being in supply chair		•	•			•
Principle 5 about ha in place a standalor human rights policy	-	•	•	•	•	•
Good practice						

#### NITI Aayog should include SDG Indicator 8.8 to measure and report India's performance on worker safety



Missing: A key indicator on safe working conditions

#### SDG Target 8.8

Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment



























