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Changes in Production Regimes and Challenges to Collective Bargaining: A study of the Gurgaon Industrial Belt

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Changes in production and labour regimes and challenges before collective bargaining:
A study with focus on the Gurgaon-Neemrana industrial belt in the DMIC

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This study focuses on the Gurgaon-Manesar-Dharuhera-Bawal-Tapukara-Neemrana industrial belt in Haryana and Rajasthan, which is an important ‘node’ or part of Delhi-Mumbai Industrial Corridor (DMIC) and a major destination of capital in the last few decades. The study is based on primary survey work of qualitative nature of over 6 months from September 2017 to March 2018. Primary respondents are workers of different segments, plant-level Trade Union leaders and Trade Union activists of the belt, with some inputs from secondary literature, workers magazine and data published by the companies and the government.

The attempt to integrate Indian economy with global production networks (GPNs) in the post-liberalization period seems partially successful here in this belt, particularly in capital and technology-intensive automobile sector, labour-intensive garment sector and service sector like IT/ITES. But along with industrial growth, this development story has its own underbelly – labour – with crises of jobs, poor working conditions, informalization of regular work, capital-labour conflicts (sometimes of irreconcilable nature) and dismantling of collective bargaining mechanism, pro-capital mediating institutions and labour law enforcement processes. For our study, our main focus has been the auto-belt, which incidentally has also been a prominent centre of most militant labour unrests of our country in last two decades. This study looks into the transformation of production and labour regime and the consequent challenges before the collective bargaining mechanism and institutions to explain the worsening employment conditions despite growth, and the root of industrial conflicts.

The automobile clusters in Gurgaon-Manesar and Dharuhera-Bawal in Haryana and across the state border into Neemrana in Rajasthan form a contiguous expanding zone of an industrial belt which houses one of the major auto clusters in India. Some parts of the industrial belt are over three decades old, while some are three years old. Its history is rooted in the process of liberalization of the Indian economy from the 1980s. From the beginning of the 1980s, significant restructuring in the Indian automobile industry in collaboration with Japanese MNCs took place. In 1983, Maruti Udyog Limited (MUL), a joint venture of the Government of India and Suzuki Motor Corporation, established its plant in Gurgaon and launched the model Maruti 800 which soon captured a large share of the 4-wheeler segment of the market. To promote indigenization, it had to adopt Phased Manufacturing Program (PMP), following government policy, which required 92% localization of components within 5 years from the start of production. MUL, to reduce its vulnerability of production, attempted to develop a strong base of supplier companies and encouraged its local vendors to adopt flexible practices or advanced technology (Bhargava, 2010). This facilitated the process of establishment of strong supply base of auto components in Gurgaon-Manesar-Dharuhera industrial belt which later extended to Bawal industrial area.

Hero Honda, established in 1984 as a joint venture between Hero group and the Japanese Honda company in Dharuhera, launched the four-stroke engine motorcycle in 1985, and it gradually became the market leader. It helped the development of auto cluster in Dharuhera. In 1994, the government de-licensed car production. Following on the heels of Maruti, other global players entered the industrial belt. In 1997, a new government policy allowed the companies to localize 50% of production within 3 years and after that

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70% of production within 7 years, thus further liberalizing the market. In 2000, Honda set up its plant in Manesar. Apart from cars, companies were permitted to export components and ancillaries, and as a policy it further promoted the integration of Indian automobile sector to global production networks of the industry. In last one decade, the auto belt has expanded to Tapukara-Khuskhera-Neemrana belt of Alwar district of Rajasthan. All these contributed to a strong regional network of auto assemblers and vendor companies, well connected to global production networks and practices.

In this auto cluster, there is complex web of interactions of lead firms and different tiers of suppliers. In the Auto belt, there is a seemingly vertical structure of production networks, where OEMs (Original Equipment Manufacturers) form ‘node’ or ‘hub’. OEMs are assembler plants and no production of components take place in those plants (unlike Hindustan Motors, the manufacturer of iconic ambassador car, which, under a Fordist model of production, had Foundry and Forging shops and used to produce 1800 components of Ambassador under one shade and used to assemble them). Under ‘just-in-time’ or ‘lean’ production model, where there is hardly any inventory in the assembler plants, the 1st tier supplier companies supply components continuously in batches. For example, 1st tier vendor companies like Apollo, MRF, Bridgestone, Ceat, JK Tyre etc supply tyres to Maruti Manesar car plant many times a day. For each component, seats come in each 30 minutes in batches, whereas some components like fastner comes once in 4-5 days. Some components come from Japan too (like some bots for seat and steering, ECU for engine sub-assembly etc). the OEMs have multiple source, i.e. 1st tier supplier companies for each component to reduce uncertainly and promote cost-cutting. 2nd tier suppliers are those which supply components to 1st tier suppliers. For example, IJL supplies automotive lighting systems to Maruti Suzuki as 1st tier supplier. But it has around 500 vendor companies, which are 2nd tier suppliers, to supply wires, bulbs, plastic body parts, screws, paints, more than 150 types of chemicals to IJL. NSK Rane supplies steering parts to Maruti Suzuki. But for steering assembly, Mitshubishi supplies motors, Kaparo suppliers column components to NSK Rane as 2nd tier suppliers. 3rd tier suppliers supply components for auto parts production in 2nd tier plants. Thus, the production network has deep backward linkages, extending to informalized production in small workshops and home-based production.

- OEMs in the belt: Maruti Suzuki (Gurgaon, Manesar), Honda 2-wheeler (Manesar, Tapukara), Hero MotoCorp (Gurgaon, Dharuhera, Neemrana)
- Supply Chain: Global players (Bosch, Denso, FCC, Delphi, Continental etc), Joint ventures of Indian and foreign (mostly Japanese) companies (Krishna Maruti, IJL, Munjal Kiriu, etc), Indian Groups (Rico Auto, Amtek Auto, Minda Group, Omax Auto, SPM, Autofit etc), 2nd and 3rd tier MSMEs, informal workshops.

To be more precise, the polarization or power relations do not seem to exactly reflect the rigid vertical order of OEMs (Original Equipment Manufacturers), 1st tier suppliers, 2nd tier suppliers and 3rd tier suppliers. A kind of de-verticalization seems to be relevant where a single firm can supply parts to OEMs or to component assemblers. A different kind of polarity seems to be growing. On the one side there are OEMs like Maruti Suzuki, Honda, Hero Honda etc and global component suppliers like Delphi, Denso, Bosch, Pricol etc. having relational linkages with the lead firms. The labour process, work organization or technology of these firms have broad similarity and they have in-house R&D. They are the main players in the production network and benefit from increasing integration with global market. In the middle there are large enterprises that operate as 1st or 2nd tier vendors. They benefit from domestic growth of automobile industry and are important players in regional production network. Increasing global competition creates a further polarization in this segment. At the bottom there are large numbers of tiny, small and medium enterprises that have no idea of ‘lean production’ or ‘technological upgrading’ and face
immense struggle to survive. And the production network at its downstream extends to the informality of slum production.

The industrial belt has been a place of many militant workers struggle and with a legacy of a strong trade union movement. But in last few years an ongoing structural transformation in the production and labour regimes has posed serious challenge before the trade union struggle and the process of collective bargaining. Before we focus on the factors underlying the changes, let us have a brief overview of the history of workers struggle in this belt.

1988-2005: In this period, the struggles were few, mainly plant based and local, because of limited expansion of the industrial belt. The earlier unions of this belt were of Hero Honda Dharuhera plant (after workers struggle in 1988) and Maruti Gurgaon plant. The end of 1990s saw a few militant workers struggles in Dharuhera (police firing on Pashupati Sewang struggle, formation of Rico union in Dharuhera). In 1999-2000 Maruti workers union in Gurgaon plant had a major conflict with the management that led to a strike of 3 months, defeat of the struggle, termination of 24 worker leaders, collapse of union, contractualization of workforce and VRS of a section of permanent workers. It created an atmosphere of pessimism for next half a decade, which was finally broken by the Honda workers successful struggle in Manesar in 2005.

2005-2009: In this period, the struggle for union formation, inspired by Honda workers struggle, spread in various plants in Gurgaon-Manesar-Dharuhera. Almost 35-40 unions were formed in this period in the auto belt. AITUC took a lead role, followed by HMS, in forming new unions. The permanent workers of newly formed unions through their settlements with the management could improve their salary, facilities and working condition. That helped the establishment of a plant-level collective bargaining mechanism and raised the general wage structure, Honda union being the leader. This phase culminated in the eventful struggle of Rico Gurgaon workers. Rico workers (and Sunbeam workers) were on strike for 44 days when management-hired goons ('bouncers') opened fire at the factory gate and killed a worker, Ajit Yadav. This triggered massive anger in the entire belt. Thousands of workers took out rallies that culminated at the Rico factory gate. More than one lakh workers struck work for one day. But the plant level leadership could not withstand the pressure from the management and the administration and resigned. The defeat of Rico struggle, despite such workers support, created frustration that continued till the struggle of Maruti workers in Manesar in 2011.

2011-2015: This period, the most eventful one in this industrial belt, started with the Maruti workers struggle for an independent union in the Manesar plant. That led to three consecutive strikes in 2011. The militant struggle of workers created new forms, like factory occupation by workers, solidarity strikes, unprecedented unity of permanent and contract workers, ground level self-organization of plant level workers dissociating from Central trade union dictates, and an emergence of insipient form of ‘working class power’ expressed on the shop floor and in the area and a kind of capital-labour conflict that went beyond the legal framework of trade union settlements. Maruti workers success in forming their union in 2012 created aspirations but this was short lived. The incident of 18 July 2012, the clash and subsequent police repression stalled the workers movement in this belt for the next one year. But from the end of 2013, a new series of workers struggle in different plants (Autofit, Nerolac, Munjal Kiriu, Baxter etc) in Manesar-Dharuhera and particularly Bawal region marked a new phase of successful union formation and settlements, reinstating collective bargaining mechanism and an area-wise struggle and solidarity of workers.
2015-2018: This period marks a setback in workers struggle, triggered by the changed attitude of the capitalist class, the government and the administration towards workers unions and workers struggles, and a set of significant changes in the production and labour regime, and the changes in institutional framework that made the terrain of trade union bargaining and struggle more difficult. This phase is marked by some militant and resilient struggles for union formation ending in defeat after heavy repression by police and non-negotiable attitude by companies and institutions towards struggling workers (Shriram Piston workers struggle in Bhiwadi, Honda workers struggle in Tapukara, Aisin workers struggle in Rohtak, Minda workers in Bawal etc). This phase is also marked by the attempt to crush established unions in several factories by repression or by shifting of production (Ahresty in Bawal, Omax-Automax-Rico in Dharuhera etc).

Our focus is particularly in the last period. Here we are interested in exploring the challenges before collective bargaining mechanism due to structural changes in production and labour process and changes at the level of policy and institutions. We propose few major tendencies behind it:

- The increased mobility of capital and setting up multiple units of the same company in the industrial belt and the easy shifting of production from older to newer units (with more flexible labour regimes), and even closure of old units, have reduced workers control over production, effectiveness of strikes and bargaining capacity of unions in the older units. It has reduced associational bargaining power of workers.

- New technology has made workers more disposable and has given management more control over production. Mechanization and Automation has made skill and experience increasingly redundant and has threatened job insecurity to workers. Intensification of work demands young docile workforce instead of older experienced people. Continuous industrial restructuring has reduced structural bargaining power of workers.

- Crisis of agriculture, jobless growth and India’s demographic dividend has created a large pool of unemployed youth waiting outside the factory gate, and ready to work even under worsening working conditions.

- Informalization of work in formal sector like automobile has shifted the burden of production from permanent to various categories of temporary workers. Permanent workers have become a small minority of workforce. Their union thus has less control over production. The new categories of workers like Diploma trainee, Student trainee, Diploma Apprentices are not even recognized as ‘workers’ and thus have minimal connection with the union process.

- The increasing connectivity inside production process under ‘just-in-time’ and ‘lean’ production and the competitiveness of auto sector cannot tolerate any form of workers subjectivity that influences the production process and creates uncertainty. It has resulted in projecting union process and ‘collective bargaining’ of workers as ‘act of indiscipline’. Thus the ‘labour dispute’ is now seen as ‘law and order’ problem. It has led to criminalization of labour struggles and repression in place of mechanisms of reconciliation and mediation.

- The coming in power of BJP government in Haryana, Rajasthan and in the centre after 2014 and its pro-corporate policies have had its impacts. The gradual dismantling of labour protections, pro-corporate changes in labour law and weakening of institutions (labour department, labour court, tribunal etc) has led to weakening of framework of collective bargaining.
1. The changes in production regime

1.1 Changes in labour process, new technology and increasing disposability of workers

To undermine the collective assertion of labour, capital has shown different strategies. One way is to crush the workers’ movement and damage the confidence of workers and then go for the necessary restructuring of work, technology and production process without any significant resistance so that the previous objectivity of workers struggle gets changed and undermined. After the 3-month long workers’ strike of 2000, Maruti Suzuki management could crush the resistance and terminate the main leadership. They, then introduced a VRS scheme to reduce the workforce, increased the number of contract workers to undermine the strength of permanent workers, restructured production where contract workers would run the main work, and co-opted a section of workers and formed a separate union. But often capital is forced to make a compromise with labour to avoid larger damage. Thus the struggles of Hero Honda workers in late 1980, Honda workers in 2005 or Maruti Suzuki workers in Manesar in 2011-12 could achieve their right to form union. Then capital has to accept some concession for labour. But, in gradual course, in Hero Honda, and partially in Honda, management was successful to contain the union representing the interest of only permanent workers who gain from increased productivity, whereas the main burden of production was on contract workers.

In this section we study the production and labour process of two most advanced and leading auto assembly plants of Maruti Suzuki, Manesar and Honda, Tapukara, which were also centre of two most militant plant-based workers struggles in past one decade.

- The intensification of work, the worsening working condition, excessive control of management over labour processes and dehumanization in terms of being an appendage to machines triggered unrest among workers and ‘union formation’ was not the end but the means to alter this working condition. Shared experience of labour process brought together permanent and contract workers in their struggles. Thus the root of struggle was contestation over the conditions of work on shop floor. With their union, they could bargain better for that.
- The workers were aware of their capacity to affect the production at the nodes and thus the capacity to disrupt the entire supply chain production. This gave them a ‘structural power’ because of their locational advantage.
- The workers were also aware of the fact that the company earned huge profit because of the hard labour of the workers, but their share of that was absimal. Without union, it was hard to bargain for their share.

This dynamic contradiction of labour-capital determined much of the changes in production and labour regime, and the fate of collective bargaining.

CASE 1: Maruti Suzuki Manesar plant:

Maruti Manesar has three plants – A, B, C. During the strike of June, 2011, there was only A plant. B plant started in August 2011, and the C plant started in end-2012. The production has tripled since then. In each plant in each shift 480 cars are produced. In last two and a half years, a flexi-line, which is operated manually, has been installed in plant A in 2015 with a capacity to produce 250 cars/shift for emergency purposes. Among a total workforce of 7000, only 1700 are permanent workers. All others are hired as temporary workers (TW), contract workers, apprentices, student trainees who work along with permanent workers in the same nature of production work in press shop, weld shop, paint shop, bumper shop, injection moulding and assembly lines. A new worker needs 7 days training after joining regarding basic production processes, safety, 5S etc, then is sent to the line where some permanent worker or old TW takes the charge of 21-days line training, while giving production.
• **The production and labour process:**

The production process in this assembly plant starts from press shop, where the sheet-metal is cut or pressed generally one day in advance, which means what is pressed today will go to be assembled tomorrow. There are, in Manesar plant, several lines of power presses. They are quite automated, and press-tools of these machines change without human intervention, according to different types of parts to be pressed. The press-shop runs on three shifts. The harder works, such as taking out pressed parts from the machines, is done by temporary/contract workers and apprentices. Still, in general the press-shop work is less hard, as most work-stations are here machine-stations, and it gives a little breathing space for the workers while the machine works. But in the weld-shop and assembly line the workers have really harder time. In weld shop in Manesar A-plant, there are 250 to 300 hand-welders, and there is full automation in B and C plant. Since 2006, here the numbers of work-stations got reduced from 16 to 8 and thereafter since June 2011 from 8 to 4, through increased degree of automation and using more robots. But so far work got re-distributed in such a way that employee numbers did not get reduced as much as there was job redesigning and work was replaced (in general one robot substitutes three to ten workers, depending on the nature of job). In the paint shop painting robots will be seen rubbing shoulder with the human workers. But that does not reduce workload. Temporary worker needs to carry 70-80 screens of car up and down the stairs.

There are many work-stations on the long-block assembly-line, attended by one worker each. Each worker has to have several operations for a car within a cycle-time or takt-time of 60 seconds. Let us take some operations, for example. The engine block arrives and then it is washed. A single worker uses a crane, then clamps the engine block, after that operates the washing machine, and lastly takes the engine out – being forced to be habituated in multi-tusking, but hardly acquiring a ‘skill’ in real sense. Thereafter another worker fits the crank-shafts which are also checked, then washed, and then fitted manually. This fitting is physically one of the most demanding works as the crank-shaft’s weight is 15 to 20 kg. In the context of a developing country like India, the cheap labour to a great extent determines the work organization and much less mechanization takes place in those works which are not that important for standardization or quality of products, however brutal the work may be.

• **New technology, skill and disposability of workers**

Along with human workers, more than a thousand robots work in the plant. Over the time, the plants have been mechanized and automated. New plants, B and C, have much more automation, with fully automated weld shops and paint shops. Even many manual works in A plant has been replaced by machines in last few years. Advanced fuel filling in assembly, earlier done by workers, has been replaced by machines. Tire shifting in Final-2 line in assembly is now done by robots. Wind shield sub-assembly is now done by robots. Still due to presence of more manual nature of works in A plant, maximum number of workers, including maximum numbers of permanent workers are there. In the assembly line of B plant, the ratio of permanent workers and temporary workers is 1:4. In C plant, the ratio is tilted more towards temporary workers. B and C plants have less work stations too. There is no final-3 line in B and C plant, those works are distributed between final-1 and final-2 lines.

Permanent workers are required particularly for those kinds of works which are sensitive to skill and experience, and which are crucial to the entire production process. Here we list few such works which are skill/experience dependent:

‘Maru-A’ – those works where a mistake may lead to the risk of accident and thus is threatening for car/life, are categorized under ‘Maru-A’ stations. These are important work stations where experienced/permanent workers should be working. These works are done under strict inspection. In chassis section – axle fitting, engine fitting, fuel pipe fitting.
In final assembly – all works related to steering, break setting, parking lever setting, head light setting (coupler connection) etc. Increasing automation is taking place in these works to become less dependent on the skill/experience of workers.

Some works are crucial for the running of production process. There will be production loss if the working stops at final-1, final-2, final-3 sub assembly lines. Thus the consistent role of the workers is important in this part of production. In trim section, chassis section and final-1 and final-2 lines, on an average there could be maximum 20-25 stoppages of very short interval to ensure no production loss at the end of the shift. For final-3 and vehicle inspection, maximum 5-10 such stoppages will be affordable. Otherwise daily production may come down below 480 cars a day. When a defect is spotted in the car, the worker may show either yellow signal or red signal in the display board. Yellow signal calls for the immediate attendance of supervisor/reliever to correct the defect while the production line moves. If within two cycles (120 seconds) the defect is not corrected, the line stops. In case of red signal, the line immediately stops. In the assembly line, skill and experience was needed to manage parts for different models of cars. In last 4 years, new technology in the form of VTS system and ‘Pika Pika’ system has smoothened this problem and has made skill and experience more redundant. Every car has a set of data associated to it, and accordingly parts are fitted to it. Its model should be specified, like Swift or Ertiga or Balleno. It may be petrol or diesel variant. It may be model variant, like long variant (LXI) or high variant (ZXI, with advanced technology). It has a PSN number (production serial number, in the range of 1-10000) for specific identification. All the data for a car comes from paint shop to assemble via VTS system as soon as the car joins the assembly line. ‘Pika Pika’ system has enabled of blinking of container of appropriate parts associated to a car as soon as it reaches a worker. Say, if it is Swift Dzire, then the appropriate Dzire part container blinks, and the workers picks up the appropriate part to fit to the car. Thus even the new workers can run the production without making many mistakes.

- **The capital-labour conflict and consequent restructuring of production and labour process (2011-18)**

It is an important node in the automobile production network. Any disturbance in this node has serious ripple effect along the supply chain, as was seen during the strikes of 2011-12. Thus the workers here enjoy a particular nature of structural power, and the company management is highly aware of that. The bitter experience of 2011-12 incidents pushed Maruti management to industrial restructuring. If we study closely the post-strike events unfolding after the struggle in Maruti Suzuki in 2011, we see, management was forced to increase the tea-break from 7.5 minute to 15 minute, to decrease the speed of assembly line, to increase transport facility for workers, employ more workers so that now a worker gets a ‘reliever’ when s/he goes to the toilet. The contract workers could take two holidays in three months which wasn’t the case before the dispute. They were allowed only one holiday which also had to be approved by the supervisor and that hardly happened. The permanent workers could take 4 holidays in three months. But all this implies that for capital to maintain its profit margin, it has to transfer the crisis elsewhere, and one option is across value chain. As part of this cost-cutting exercise, the company initiated measures to step up localization levels and to pare the number of tier-I suppliers over the next two-three years. The company expected to save up to Rs 2,000 crore a year. To secure the supply side, Maruti Suzuki has made a deal with FIAT to obtain 100,000 engines per year and also decided a merger with Powertrain to ensure the supply of diesel engines. Maruti adopted 40 ITI colleges in Gujarat, to ease the supply of labour when in need for it. By outsourcing work to companies such as Belsonica, FMI, Krishna Maruti, SKH Metal which operates on the Maruti premises, a formal division is created between workers in the same factory.

In the period of 2012-14, when there was no union active inside the plant, many coercive changes took place. A system of taking 7-month ‘company casuals’ instead of contract workers started, as the ‘company casuals’ being on the pay-roll of company could be under greater monitoring of the company. After 7
months, these casual workers were discharged and the next batch was taken in for another 7 months. While regular workers are kept under constant pressure, the reserve army of discharged workers is called back to run the production work in case the permanent staff went on strike. The management effectively stopped taking regular workers. Earlier there were relievers in each line, to help run the process of production in case someone was absent from the line or from duty. Now there were no relievers. Earlier, in vehicle inspection (V.I.) department for road test there were 16–17 workers in A-plant; now, the same amount of work was managed by 8 workers only. In the Trim line, there were 125–130 workers; now there were 70–80 workers. Also, in Final-1 assembly line there were 4 areas and each headed by a supervisor; now there were 3 areas for the same work with 3 supervisors, few workstations and still fewer workers.

After the activation of Maruti Suzuki Workers Union in 2014, the salary of the permanent workers increased substantially after the wage settlement in 2015. The working condition changed in favour of workers due to increased collective bargaining power of workers in the plant. Also, the formation of ‘Maruti Suzuki Mazdoor Sangh’, a federation of 4 unions of Maruti group (Maruti Gurgaon, Maruti Manesar, Maruti Suzuki Powertrain, Suzuki Motorcycle) and 2 unions of Belsonica and FMI (vendor companies at Maruti Suzuki Manesar plant premises) increased the bargaining capacity of workers. Assembly line speed was decreased due to bargaining from union and cycle time per car got increased to 60 seconds in Manesar plant (before 2011 it was 48 seconds). Per shift car production came down to 480 (from 550 in 2011). One reliever per 8-10 workers is the norm now, making space for workers to go to toilet, drink water and take short break during work. Other facilities including incentive, housing plan, home loan, car loan etc were provided to permanent workers.

Thus, the Maruti management in process of reducing the conflict with permanent workers in the plant, made sure that the substantial disruptive capacity of workers at Maruti, the node of production network, get mitigated. There were four types of responses from the management. First, An understanding was made with the union to maintain peace and reduce uncertainty, and meanwhile further mechanization was undertaken to reduce the control of workers over production process and to make skill and experience more redundant and thus to make the workers more disposable. Second, apart from absorbing the militancy of permanent workers, the workload was transferred to temporary workers of various categories, deepening internal segmentation of workers and informalization of work was furthered. Third, new technologies of electronic control of supply chain by minutes helped Maruti to increase control over supply chain, centralize the flow of materials and components and transfer any crisis down the supply chain. The vendor companies were further ‘disciplined’ to meet the need of Maruti and were penalized heavily for any deviation. The vendor companies, with reduced bargaining power vis-à-vis assembler plant, now became more intolerant to workers subjectivity and unions in their own plants. Fourth, a gradual preparation of shifting production to newer plants with higher automation and more flexible labour force started. In the newly established Gujarat plant of Maruti Suzuki, operational for last one year, the temporary workers (TW) get a salary of Rs. 8000-10000, compared to Rs. 15000-16000 received by TWs in Manesar plant. Still now no trainee/permanent workers are there, and temporary workers run the entire production for last one year. Workers are not allowed to take their mobile phones inside. Increased mechanization has ensured less stoppage time and high productivity and intensification of work. This new production regime threatens the workers’ rights achieved through protracted struggle in Manesar.
CASE 2: Honda Tapukara plant

Honda is the world’s largest manufacturer of two wheelers. It has a 26% share in the domestic two-wheeler market, and four plant in India in Manesar (Haryana), Tapukara (Rajasthan), Narsapur, Bengaluru (Karnataka) and Vithalapur (Gujarat). Established in April 2011, the Tapukara plant in Alwar Rajasthan is the second plant of Honda Motorcycles and Scooters India Ltd (HMSI). The production capacity in its two plants in Manesar and Tapukara rose 30% to 2.8 million units per year in FY 2012-13, clocking surplus profits as real wages dropped or stagnated. The Tapukara factory produces 5000 two-wheelers per day in two assembly lines, 5 models including Activa, Shine, Dio and Aviator.

• Factory Conditions and Labour Process

(We interviewed many Honda workers who were part of the struggle of union formation in 2016, and got terminated from job thereafter because of the struggle. New Honda workers currently working inside were mostly non-responsive. Thus the description of production and labour process refers to the time period January-February 2016.)

Number of permanent workers in HMSI was 466, Trainee and Company Casuals number 100, and there were around 3000 workers on contract. All the workers were to have ITI degree. Most workers in the age group of 23-28 years, and were internal migrants from different districts of Rajasthan and Haryana. There was no accommodation provided by the company, so the workers had to stay in private accommodation in Tapukara, Khushkhera, Bhiwadi, Dharuhera, on both sides of Rajasthan-Haryana border. The management claimed that from contract and company casual to becoming permanent is a seamless process. However even to hope to legitimately become permanent, could take 8 years, if at all, making more than 3/4th of the workers ‘to-be-permanent-yet-never-to-be’. These contract workers laboured in work of perennial nature on its two assembly lines, making them sham contracts. They did similar or more work in the production process as the permanent workers and ‘could’ sit for a test after 3 years of contract. Very few of them passed the test and fewer passed the interview after that. Those who passed both, had to work as ‘Company Casual’ for 2 years. If their work was satisfactory, then they might be taken as ‘Trainee’ for another 3 years and thereafter they might be made permanent. Till 2016, less than 100 workers were made ‘Company Casuals’ in this process, and no one was made permanent through this long process. Workers hired as permanent also had to be in the ‘training period’ with meager monthly stipend for 3 years and then under ‘probation period’ for another 6 months. In reality, the workers had no formal training and are directly sent to the shop floor, where they acquired the required skill in 10-15 days or in a month, depending on the nature of work.

The Tapukara HMSI plant operates four Shifts: A Shift runs from 6am to 2.30pm, Shift B1 2.30-11pm, Shift B2: 3.20pm-12pm, and Shift C: 11pm-6am (where only the Machine Shop is open), with main production in Shifts A, B1 and B2. The lunch break of 30 minutes and two tea-breaks of 10 minutes each are not included in the work time.

To produce 5000 two-wheelers per day, the factory operates through a schizophrenic combination of accelerated time through ‘lean production’ techniques, robotic technology and brute monotonous physical labour. Though segmented through wage division, levels of insecurity of employment, both regular and contract workers work on the same assembly line, under immense work load and pressure. As an example of the work pressure as a component of time, the Engine Line with (no. of workers in two lines in two shifts) 337 workers has a takt time of 17 seconds. That is, every 17 seconds, with each second counting as profit on the balance sheets, an engine is assembled. The Frame Line with around
In the production process, the main shops are – HPDC (High Pressure Die Casting), press shop, weld shop, paint shop, machine shop, engine assembly and frame assembly. In HPDC, Aluminium ingots are molten and cast to make crank case and cylinder block, and then sent for machining. Most part of the work was done by robots and contract workers. In the beginning of 2016, there were around 140 workers in HPDC, including around 90 contract workers. 80-90 vendor company (from SIS) contract workers also used to work with them. There were 11 die casting machines. The processes being quite automated, even a new contract worker, after basic training and safety training, was sent directly to the machines to work, and it took around 10-12 days to pick up the skill to work properly. Supposedly two workers were to work in a machine in a shift. But only one worker was made to work in a machine for continuous 8 hours of high-fatigue work. The job included the manual handling of hot metal of 10 kilogram with a tong and breaking of surplus material (“runner”) physically. There was no provision of ‘reliever’. If someone had to drink water or go to the toilet, other workers had to adjust the work. After 8 hours, the contract workers were regularly forced for overtime.

In press shop, the sheets came from Jindal Steel (and some particular sheets come from Japan). Die for press came from both Japan and India. For serious problems, the die used to be sent back to Japan for repairing. A 500 to 800 ton big die used to fall on smaller die to give the required shape of the material beneath the smaller die. Sensors were attached to the die to prevent fatal accidents. Loading-unloading of 15-20 kg materials was a heavy manual work. Also the continuous sound created by the repeated falling of die made the work environment strenuous. Mostly contract workers were in production in press shop, quality section of press shop had mostly permanent workers. The machine shop was fully robotized. For surfacing, hole checking and other works, workers placed parts, set robots and placed finished parts in trolley again.

In the welding section, centre welding is done by OB welding robots. Total 250-300 workers were there in the weld shop, of which around 50 workers were permanent. In a line 30-35 workers were there on an average. There were 4 OB robots in each of two OB welding lines, 3 fuel filler robots in each of three lines, two robots in fender line. After OB welding was done, there were 26 stations to attach parts by spot welding and seam welding, set fuel filler, check for dent, cut, leakage etc. There were several stations which had critical operations, manned by permanent workers: OB stations, outer quality, seam welding, fuel cock welding, tank quality check and most importantly, leakage testing. There were initially two lines of fuel tank production, each with capacity of 550 per shift. Because of intense work pressure, resistance developed from workers and after slowing down of production at several times, another line for fuel tank was added in May 2012. Total production from these three lines was set at 1100 ultimately. Also, in fuel tank line two extra stations were added after workers put pressure. The 3rd line of fuel tank was technologically superior, involving Japanese seam welding and all machines from Japan, and less dependent on experienced workers. Also, Japanese seam weldling reduced unwanted ‘bur’ alongside cuts, and ensured less leakage. Cycle time also reduced from 43 seconds gradually. The workers had to do the welding for hand screen and frame welding manually. At the finishing station, heavy manual work with inclined posture caused back pain. During manual spot welding, ‘spatters’ developed in hands. Workers had to lift 20-22 kg frames for ‘jig inspection’. Many times disputes rose due to accidents, demands for new gloves and other safety equipments, timing for bathrooms, and leaves and forced overtimes. Still, in welding section, a significant part of work being manual, the workers had capacity to control and affect production to a significant extent.

There were around 30 stations in the sub-assembly. Parts were set on conveyor, rings were set to pistons, ‘L-cover’ of ‘L-R combination’ was set, Number punching was done. We elaborate here the working process of an important station, for example, number punching. It was a critical station, because in case of
missing of number or change of series number, serious trouble was created. 1100 punching used to be done in 8 hours with ‘mini robot’. The sound made by punching nipple was terrible for ear, and the work used to put a lot of pressure for eyes too. As the conveyor cycle time was 17 seconds for a part, in that time period several operations had to be done – L-cover lifting from trolley, then checking of hole, marking thread, checking surface of L-cover, then putting two bearings, then putting on machine under mini robot, then pressing two buttons simultaneously, then following the computerized number punching process, and finally sending the part for the next stage – all in 17 seconds, and repeatedly without break for 8 hours. On this station no new or casual worker was allowed. If the needle broke, then it used to lead to stoppage of production, and sometimes Japanese technician had to come to set it.

In the main assembly, there were around 40 stations to check L-cover, match card number, set L-R combination together, liquid treatment etc. There are some critical stations where skilled and experienced workers are needed. We elaborate few such stations:

Torqueing – If the torque was not done properly, assembly line would stop. In 17 seconds, a worker had to place 8 bolts and tighten, do torqueing according to fixed Newton-meter standard and add grease/oil and finally pass it further. Setting of piston in the cylinder block needed skilled worker too. If the work had faults, rings of piston might be damaged. Assembly of piston with crank was another important station. If this work was not done properly, then it might lead to the damage of the bike. All these stations needed permanent workers. Apart from crucial stations, all other workers were contracts in main engine assembly line.

There were few accident prone stations. One was where pulley was to be set to ‘L-R combination’ of the engine, the highest torque being 110 Newton-meter. Several times fingers of workers were cut. These workers always were contract workers; company could put the cases of accidents under the carpet. Later manual torque was replaced by machines.

In the beginning, in each minute, like for each three engines, line used to stop once, leading to high breakage time of 40-50 minutes per 8 hour shift. Cycle time was also 22 seconds. Gradually workers acquired experience and production process was mechanized and automated increasingly. That reduced both ‘breakage time’ and ‘cycle time’ (17 seconds), but leading to intensification of work.

1.2 Increasing mobility and bargaining power of capital vis-à-vis labour: threats of shifting of production, closure and lay-off

In last few years in this industrial belt, a definite tendency of deindustrialization, embedded very much in the process of industrialization itself and facilitated by the changes in production and labour regimes and increased mobility of capital, has threatened the existence of old and established unions, mitigated the effect of strikes and undermined the bargaining power of workers and collective bargaining mechanism at the plant level.

In last one decade in the auto belt, the general tendency of the companies has been to set up multiple production units, to split up the production among different units, to shift production gradually from older units (where the workers struggle led to union formation, salary hike, increased facilities and job security) to newer units (with no unions, mostly contractual and informal workforce, less salary, facilities and job security, and greater applicability of new technology and mechanization/automation and higher productivity). As the dynamic of automobile industry necessitates increase in production capacity, technological and product innovation and follow up of the footstep of assembler companies by the vendor companies in different new locations of production, the setting up of newer multiple units of production has its reason. But it is not just that. Vis-à-vis the workers subjectivity and militancy, in context of ongoing capital-labour conflict to neutralize strikes and other industrial actions by the workers affecting production, and to cut the plant level workers union’s strength and bargaining capacity to size, splitting up of production among different units and shifting production became an effective tool for the companies. It came up as a general practice from the management side to reduce production at the time of settlement
between management and union body to pressurize the union and offset any threats of strikes of production loss. But in last few years, the shifting of production has seen partial or full closures of older units with established unions, and the job loss of permanent workers in those factories has created a wave of insecurity among other unions and permanent workers. Let us take few case studies to elaborate the point.

**CASE 1: Omax Auto, Dharuhera plant**

Dharuhera plant of Omax Auto, established in 1986, is one of the oldest auto-part units in this belt. It was established adjacent to the premises of the oldest production unit of Hero Honda (now Hero MotoCorp) in Dharuhera, and since then it has been a core vendor company of the two-wheeler manufacture, supplying body frame and plating to Hero. The owner of Omax group, JK Mehta has been a long standing family friend of Munjals, the owner of Hero group. Thus the setting up of new plants of Hero in Gurgaon and Neemrana caused the expansion of Omax group in this belt as well. The profit generated from Dharuhera plant has been used to establish other units of Omax auto in this industrial belt, and outside too. Beside Omax Auto main unit in Dharuhera, a spocket unit was later started. Other plants of the Omax group in this industrial belt include – Omax Auto (Manesar), Automax (Binola), Speedomax (Sidhrawali), Omax Auto (Bawal), Century (Dharuhera) etc. Among these units, the Dharuhera, Manesar and Binola units had stable and functioning workers unions, and these unions, all affiliated to Hind Mazdoor Sabha (HMS) and collectively known as ‘Omax group unions’, developed a co-ordination among themselves on various issues. They even had co-ordinated strike action in 2015 during the settlement process in Omax Dharuhera plant.

The Omax plant in Dharuhera had 408 permanent workers in April 2017, when the company management moved for partial closure of the production unit of frame section with 253 permanent workers. The plant had 388 contract workers who were working in the company for many years before they all were thrown out in February 2017. These old contract workers had a militant strike in 2005, even before the formation of the permanent workers union. After the strike, the Omax management had terminated the job of a section of old contract workers, and following the footsteps of Hero management, started the ‘6-month contract system’ in 2006. In the beggign of 2017, around 450 contract workers were in the plant under ‘6-month system’, under which workers are taken just for 6 months. After the Omax union was formed in 2009, in course of three wage settlements in 2009, 2012 and 2015 the salary of the permanent workers increased substantially, up to Rs. 25,000. The old contract workers were also quite organized inside the plant, having their own representative body which used to maintain close contact with the permanent workers union since its formation. Also, workers unions in the units of vendor companies adjacent to the premises of Hero plant in Dharuhera, namely Rico Auto (supplier of clutch, hub, panel to Hero, union formed in 1998), Autofit (supplier of wheel and seat to Hero, union formed in 2013) and Omax Auto formed close co-ordination among themselves. Omax and Rico union took active role in the union formation process in Autofit, and in the execution of All- India workers strikes in the Dharuhera belt in 2015 and 2016. This co-ordination threatened even Hero management as it created uncertainty in the core supply chain. The increased salary, job security and other facilities of permanent workers after union formation, The activity of Omax union inside the plant and its intervention in the production process, its co-ordination with contract workers in the plant, its role in ‘Omax group unions’ and among vendor company unions of Hero in Dharuhera pushed both Omax and Hero management to shift the production of Omax Auto from Dharuhera unit to other units with no union and cheap, non-permanent and flexible labour force. The quality of product of Dharuhera unit of Omax was quite appreciated because of an experienced workforce. The workers union demanded more investment of profit generated from Dharuhera plant in the plant itself, and modernize and increase the production. Yet the Omax management took less initiative to modernize the Dharuhera unit and set up new units and started shifting production instead. mechanization and automation meant less requirement of experienced permanent workers and
substitution of them with flexible labour force and robots, and the union came in the way to retrench permanent workers by the management.

In 2015, the daily production of frames in Omax Dharuhera plant was 3200-3300 units on the average. It gradually started to decline in 2016, coming down to 2200-2500 units. In 2015, average sale was 20-22 crore/month. Sale in April 2016 came down to 10.5 crore/month. Workers of Omax auto described how planfully this took place. Near Dharuhera, a plant under the name of ‘Century’ was opened by the same owner and part of production was shifted there. A store house was built beside Century plant with a capacity to store production of one month. Some CNC machines and few robots were shifted from Dharuhera Omax unit to the new unit of Omax group, Speedomax in Sidhrawali, which manufactures frames and other parts same as Dharuhera unit of Omax. A defective boring machine was shifted from Speedomax to Dharuhera Omax and few new boring machines were shifted from Dharuhera Omax to Speedomax during off-days and holidays. A new unit was set up under the name of ‘Autovision’ and the welding machines from Spocket division of Omax Dharuhera plant were shifted there. Union leaders alleged that in this period raw materials like pipes, rods etc used to be bought under Omax Dharuhera unit and later were siphoned off to Manesar and Sidhrawali plant, thus showing a fall in balance of payment for Omax Dharuhera unit. In January 2017, the management suddenly increased production to increase inventory. Overtime started. Initially the inventory was for 3 days, later it was expanded to 10 days and finally to one month.

Ensuring required inventory to neutralize any possibility of strike action, the Omax Dharuhera management terminated the job of all 388 old contract workers, who were working for 15-20 years, on 1st February 2017. The terminated workers started protesting, and started sit-in dharna outside the factory gate. The situation got more tense when a terminated contract worker from Bihar, Ajay Pandey, left the protest site and went to his room and committed suicide on 13th February evening. His body was taken to the factory gate amid huge protest of Omax workers joined by Rico and Autofit workers. The management by using local police force, local village leaders and political leaders and announcing compensation could diffuse the protest. The contract workers, not allowed to assemble at the factory gate anymore, continued their protest in a nearby place for next three months. Meanwhile 39 permanent workers, incuding the whole union body, were suspended with the allegation of disruption in production and supporting terminated contract workers. On 12th April 2017, all the permanent workers struck work inside the plant and joined the contract workers in their dharna. On 17th April 2017, the management went to the labour department for the closure of all units of Omax Dharuhera plant, except for the plating section. The managent meanwhile took new contract workers and introduced new ‘apprentice’ system and took around 100 apprentices to run the plating section. Later, the permanent workers except for those 39 suspended workers were taken back after they all signed good conduct bond, and they were forced to take VRS. Only 50 around permanent workers were retained to run the production of parts in plating and spocket section. The company was granted partial closure for Omax Dharuhera unit by the labour department, and a legal battle is going on in the court between the workers and the management.

CASE 2: Rico Auto, Dharuhera plant

Dharuhera unit of Rico Auto, established in 1985, is the oldest unit of the company and a major vendor company of Hero MotoCorp. The workers union in this plant, Rico Auto Workers Union, formed in 1998 as an independent union, is one the strongest unions in the entire industrial belt. The president of the Union, Rajkumar, has been regarded a most respected union leader in the belt, and has been part of all the trade union struggle committees formed in this industrial belt in last one decade. In January 2018, there were 375 permanent workers and around 150 contract workers in the plant. The strong bargaining capacity of the union ensured a better proportion of permanent workers compared to contract workers. In last two decades since the union formation, around 200 contract workers got permanency in the plant. A strong union ensured a relatively better working condition, a disciplined workforce, less rejection in
production and better quality of products. Thus the management also did not intend to have a serious conflict with the union. The salary of permanent workers is around Rs. 30000 and that of the contract workers is around Rs. 12000 in January 2018.

But, since the last wage settlement process in 2016, the management escalated efforts to curb the activity of union. Workers alleged that as soon as the union submitted charter of demands in April 2016, the management gradually started shifting production to Gurgaon unit of Rico. Owner of Rico group, Arvind Kapoor, was a family friend of Late Brij Mohan Lal Munjal, Founder of Hero Group. Hero management approved this transfer of production despite the fact that there would be larger transfer cost to supply components from Gurgaon unit of Rico To Dharuhera unit of Hero MotoCorp. Hero management and Rico management on paper signed an agreement and Rico management informed the union that the Hero management apprehensive of labour unrest during settlement process in Rico Dharuhera plant shifted a section of its orders of clutch, panel, hub, CFD, FFD and few other components to Rico Gurgaon plant instead from its Dharuhera plant. After the settlement was done, the orders would come back to Dharuhera plant. But even after the settlement took place in November 2016, the orders never came back. Instead, the shifting of production continued. Only the production at Maruti line and export line, for components of Maruti Suzuki (oil-ban, cylinder head, transmission, retainer input shaft, case oil pump etc), export components for Cummins (to France), General Motors (oil-ban and bracket, export component) and Magna (3 models of water pump housing) continued. In September 2017, the production at clutch and hub line of Hero MotoCorp completely stopped. Production was shifted either two plants in Gurgaon (one unit of Rico, and another unit under the name of ‘Rasa’) and partially to its new Bawal plants (with three units, under the name of Rico, Rasa and Kapbros, only temporary workers working in these units). The monthly sale came down from 15-16 crore/month in July 2016 to 6-7 crore/month in September 2017. New 1500 contract workers were appointed meanwhile to run the production there. There is no union in any other plant of Rico except Dharuhera and Gurgaon plant, and the Gurgaon plant union, formed after the defeat of workers struggle in 2009-10 and crushing of the then leading union body, acts as a puppet union of management, as the Rico workers informed. The Rico management initially terminated the job of around 200 contract workers in mid-2017. Then the management declared a VRS package under which 95 permanent workers took VRS till April 2018, and ultimately applied to the Labour Secretary, Haryana for partial closure of production in Dharuhera plant and approval of termination of 118 workers working at Hero line on 26 March. Now the legal struggle between the management and the union is going on.

CASE 3: Automax, Binola plant

The Binola unit Automax, another unit of Omax group owned by JK Mehta, was established in 2007. A large section of workers (and machines) came from Tikri plant in Gurgaon at that time. The plant is situated on the National Highway-8 in between Manesar and Dharuhera. The plant had 325 permanent workers and a few hundred contract workers working in press shop, machine shop, railways division, New Holland tractor division, Honda line assembly shop, Spocket line for Hero, and piston rod division. It used to produce frame and engine parts for Hero Honda (now HeroMotoCorp), car parts and seat parts for Honda, front axle, upper covering, break, paddle etc for New Holland tractor, driver cabin, Engine cabin, Latrine tank, diesel tank, and chassis for Railways. Not the company got closure for all divisions except the railways division.

The workers got greater bargaining power in 2009 after the formation of workers union. Two settlements in 2011 and 2014 saw a gross salary increase of Rs. 4850 and Rs. 5000 respectively. Now the permanent workers had a salary in between 15000 to 25000, depending on experience. Contract workers also saw an increase in salary and a batch of contract workers got permanent too. According to the workers, as the workers were preparing for another settlement in 2017, the company gradually started shifting
productions in the beginning of 2017 to other plants of Omax group, namely, Speedomax (in Sidhrawali), Omax Manesar and Omax Bawal unit. Machines too were shifted to these plants, mainly to Bawal unit of Omax. Hero Spocket line monthly turnover came down from around 2 crore to 50 lakhs in few months. Showing lack of production, the company management terminated the job of 170 contract workers in the period between 18 May and 26 May. Then on 26th June the workers came to the company and saw the notice of termination of 325 permanent workers. They workers started dharna, organized protest programs in front of company gate and tried to stop the shifting of machines from Automax unit to other units, but the process of shifting machines continued under police protection. Only railways division is now being run by contract workers, and other divisions are closed. A symbolic dharna of terminated workers still now continues at the factory gate even after almost one year.

CASE 3: Endurance Manesar plant.

Endurance, a vendor company of Honda (Manesar), Hero MotoCorp (Gurgaon), Graziano (Noida), Maruti Suzuki (Gurgaon), Suzuki Bike etc, produces auto parts like crank case, cover, grip etc through Aluminium die casting. The Manesar unit of Endurance, which now has 16 plants in India, was established in 2005. The Managing Director of the plant is Anuran Jain, a cousin of Rahul Bajaj of Bajaj Auto. There are 158 permanent workers and around 200 contract workers. The workers formed their union in 2009. Three wage settlements saw increase in permanent workers salary and other facilities. The average salary of the permanent workers is now Rs. 35000-37000.

As the workers and the union leaders reported in conversation with us in January 2018, with the increase of bargaining power and salary of workers, the management has been shifting production to other plants, which gained momentum in last one year. One part of production has been shifted to other units of Endurance, where the workers have much less salary. Even some of the parts for Honda Manesar plant comes from Pant Nagar unit of Endurance in Uttarakhand, which was earlier produced in Manesar unit. As the union leaders reported, in 2013-14, the monthly turnover of the plant was around 14-15 crores. Now it has come down to 10-11 crore. But 4 years back there were 23 die casting machines, now there are 13 machines. Other machines have been shifted to other plants. Apart from shifting production to other Endurance units, a significant part of production has been outsourced to smaller 2nd and 3rd tier auto parts companies. Earlier melting process of Aluminium used to take place inside the plant. Now this operation has been outsourced, molten Aluminium comes from outside. Few casting machines have been outsourced to smaller companies for cheap production. There is no plan for the management to bring new contract in Manesar unit. The management has stopped giving production incentive to workers. The workers informed that the company management is preparing to file an application to the labour department for closing down this unit.

This year in January, the Gurgaon unit of Napino Auto has been closed and nearly 150 permanent workers have been terminated. The workers, led by their union, are in sit-in Dharna for last few months. The Manesar unit of Omax now faces the threat of closure. The company has already filed an application for it. The union/workers of Gurgaon unit of Bajaj Motors are also at the receiving end of large-scale shifting of production to other units.

These incidents of closure are not results of lack in demand, recurring loss or outdated capacity. They manifest the restlessness of capital to tap cheaper, more flexible and non-unionized workforce, to utilize better subsidies, cheap resources and tax exemption offered by government in new locations, to split up production in many parts to reduce uncertainty and to mechanize the production further. The shifting of production and the threat of partial/full closure of a plant has substantially reduced the bargaining power of unions in the older plants and has appeared as a serious threat. The capacity of workers to control production and affect production by using the weapon of strike action has been to some extent blunted and the militancy of the established unions have been challenged by the mobility and greater bargaining
power of capital in last few years. The workers claim that this is illegal. The workers are arguing that when the company is in profit, the internal shifting of production among its different units should not get approval for partial/full closure and even if it does, there should not be termination of permanent jobs of workers, as the workers are ready to get transferred to new units.

2. Changes in the labour regime: contractualization and informalization

The process of contractualization got force in this belt post the defeat of Maruti Gurgaon plant workers 3-month strike in 2000 and subsequent crushing of workers union in Gurgaon plant. Contractualization (hiring of new workforce via contractors to run the production as the permanent workers were on strike) was used as an instrument to break the workers strike and the union. After that, a section of permanent workers were coerced to take VRS and the internal segmentation of workforce in core production in terms of permanent and contract workers got pace. This process of contractualization was followed in other plants in the auto-belt as well. In 2005, when both permanent and contract workers of Honda Manesar plant struggled shoulder to shoulder for union formation and succeeded, contract workers had high hopes from newly formed permanent workers union. But within 3-4 years, in course of two settlements between permanent workers union and the Honda management, the gap in salary, working condition and facilities between permanent and contract workers became quite significant, and there was no particular opposition to the process of contractualization by the permanent workers union.

The permanent workers union in Honda did not support the contract workers wildcat strike in 2008. Nevertheless, some improvement in salary and working condition, canteen and transport facility took place for contract workers as well, because of the presence of workers union and a mechanism of collective bargaining inside the plant. That prompted the contract workers to support the struggle of permanent workers for their union formation in different plants in Gurgaon-Manesar industrial belt in the period 2005-2011. But, after 3-4 years of union formation, a gap between the salary, working condition, facilities and mentality was visible in almost all cases. The workload shifted from permanent workers to contract workers gradually. Unions bargained for and ensured some basic facilities and minimal increase in salary for contract workers along with their own demand, but hardly resisted the process of increasing contractualization. Contract workers in this period had attempted several times to resort to wildcat strikes and organize themselves separately (In Omax Dharuhera plant in 2005, In Honda Manesar plant in 2008, In Hero Honda Dharuhera plant in 2009 etc), but could not succeed much.

The decade between the defeat of Maruti Gurgaon struggle (in 2000) and the beginning of Maruti Manesar struggle (in 2011) shows this strong process of contractualization taking shape in core production process. They accounted for nearly two-third to three-fourth of the total workforce in all auto assembler units including Maruti, Honda and Hero Honda, and major first tier suppliers. In many cases (including Honda Manesar plant) the job contract was renewed by the contractor with a break of 3-4 days after each six months to ensure that the worker could not claim to have worked 240 days a year and hence could not have claimed to be in ‘continuous service’ or to be permanent. However, the same workforce of contract workers were usually retained (even when the contractor changed) as their experience and skill was important to the company. The labour regime inside the plant consisted of permanent workers (on company pay-roll), trainee workers (on probation, usually for 2-3 years before they are made permanent), apprentices (one year) and contract workers (shown under different contractor/contract agency).

Maruti Manesar plant workers struggle in 2011-12 was effectively the first one that seriously challenged the contract system, struggled for the permanency of contract workers and put forward the possibility of a common struggle against the internal segmentation of workforce. Permanent workers struck work and occupied the plant in October 2011 as 1200 contract workers, who earlier had
joined the strike with permanent workers in June and September, were not taken back by the management, and ultimately the contract workers were taken back. After union formation in February 2012, the first demand that the union put forward before the management in its Charter of Demands was the permanency of all contract workers. As the management refused to talk on this demand, the bargaining process suffered, tension escalated and finally 18 July incident of clash between workers and management and their bouncers took place, leading to the death of one HR manager and subsequent crackdown on workers.

The 18 July Maruti incident exposed some threats of the contract systems to the management. Firstly, the similar working condition faced by the permanent and contract workers and the bonding that develops through working in the line side by side together for years bring the permanent and contract workers together in the struggle against the management. Secondly, as the contracts workers were not on company pay-roll, they had less attachment to the plant and less direct control by the management. After the incident, the Maruti Manesar management terminated all 1800 old contract workers (along with 546 regular workers) and declared the abolishment of the contract system in core production. But that declaration did not mean that they would substitute the contract workforce by regular workers. The management introduced a new category of ‘temporary workers (TW)’. They were taken by the company as fresh recruitments directly from the campus interview or off-campus interview under company pay-roll for 7 months only (to meet the condition of less than 240 days a year of work). After 7 months, the entire batch of workers would be removed and a new fresh batch would be taken. The management has this database of workers and can call them as required. TWs became the largest part of workforce in Maruti Manesar, replacing contract workers. Till date, it is so. Following Maruti, many companies later started this practice of ‘fixed term’ workers. Also, 6-month contract system became a significant practice, where a batch of contract workers was taken for 6 months only. After 6 months, that batch was replaced by a new batch. These practices of ‘Temporary workers’, ‘fixed term’ workers, ‘6-months contracts’ created a workforce that is insecure, has lesser interaction with permanent workers, and is difficult to organize.

Another process of informalization of workforce, which started mainly in Bawal industrial belt in 2012-13 onwards and diffused elsewhere, involved the practice of making diploma-holders or B.Tech degree-holders part of workforce under the categories of ‘Diploma Trainee (DT)’, ‘Diploma Apprentice’, ‘Engineering Trainee’, ‘Diploma Engineering Trainee’ etc. These unemployed degree holders used to come to work from far away states like Uttar Pradesh, Bihar, Jharkhand, Madhya Pradesh etc and worked as ‘trainees’ in these companies for one to three years period. They were on company pay-roll, but as staff and not under the category of ‘workers’. Yet they had to do the same work in the core production process as they other workers inside the plant.

In the period of 2013-18, these two forms of workers started dominating over permanent workers and contract workers working for a long time, that had significant effect on the strength, confidence and role of unions and collective bargaining mechanism. Lately in last one year, a new category has been added to this process of informalization of work. Those with 12th pass certificate or admission in a college or an ITI institute are taken by the company under the categories of ‘Student Trainee’, ‘National Employability Enhancement Mission (NEEM) Trainee’ etc under the Central Government Scheme of ‘Pradhan Mantri Kaushal Vikas Yojna’ and offered stipend below minimum wage and promised a certificate after three years or so.

Three conditions have facilitated these processes of informalization of work:

- Changes in production process with mechanization, automation, new technologies and division of labour have made workers more disposable. Apart from some very specific types of work, experience and skill are being made increasingly redundant.
- Unemployment crisis has created a huge reserve army of labour. Those waiting for a job outside company gates are ready to accept any type of employment condition.
- The changes in labour laws (changes in Apprentice Act 1961, Contract Labour Act 1970, introduction of ‘Fixed Term Contract’ etc) and an institutional mechanism (Labour department, Labour Court and Industrial Tribunal) reluctant to enforce the existing labour laws have facilitated the informalization of work.

We looked into a few representative case studies to understand the process of informalization of work and changes in labour regimes:

**CASE 1: Maruti Suzuki Gurgaon Plant**

Maruti Suzuki has three plants – two assembly plants (in Gurgaon and Manesar) and one engine plant (in Manesar). Labour regime is more or less similar in these three plants. We take a representative case of Gurgaon plant, the oldest one.

This plant has its workers divided in following categories – permanent workers, company trainees, contract workers, apprentices, temporary workers (TW-1 and TW-2), and student trainees.

There are around 10,000 workers working in the plant, of which around 2200 are permanent workers. The rest are temporary workers of various categories and probationers. Among various categories, maximum workers are TWs.

Temporary workers (TWs) are employed by the company itself. They are taken for a period of 7 months, after which they are retrenched. The company officials go the ITI campuses and take tests to recruit them. For example, in June 2017, the company management hired around 2000 TWs from Patiala ITI itself (among around 11000 candidates) and distributed them in three plants of Maruti Suzuki. The test includes a common written test for all categories comprising of questions from different technical fields (welding, fitting etc) and general knowledge. After written test, for the qualifiers there is an interview after one/two months of written test, then a medical test. Then the qualified candidates have to wait for a confirmation from the company side. There is an initial training period of 7 days, which takes place in the company training room. Then there is a training of around 21 days in production line on the shop floor, under the supervision of an old TW. The company management has the database of workers and their various ‘records’. After they are retrenched after 7 months, they are sometimes called back as TW-2, but with a minimum gap of 7 months.

TW-2 workers are those who have an experience as TW-1 and are called back by the company after a gap period. They undergo a medical test, a training period of 5 days and then directly join the production process.

After the completion of TW-2, sometimes there is a test taken by the management, where some of the TW-2 are retained as company trainee (CT). The last such test took place on 15 December 2017 in Faridabad, where 600 TW-2 workers qualified as CT. Among these 600 workers, only two workers were from Haryana, as the company now has a strong preference not to take local workers. Company trainees are made permanent after 2 years.

Apart from that, there are workers working in production line as ‘apprentices’ (either 1 year or 2 years of apprenticeship). They are mostly from Haryana. There are contract workers in line, who are not in the pay-roll of the company. After temporary workers, they are significant in numbers. Those who are
working for really long time (5-10 years or more) as contract worker, may get a chance to be qualified as a CT (One contract worker became CT in December 2017 at the age of 53).

And then there is a new category of workers, numbering 1000-1500, which is called ‘Student Trainees’. This has started in last one year and workers under this category are increasing in number inside the plant. They are taken for three years and after that they are supposed to get an ITI degree as well. They are under training for 3 months before they join the production line. They work full time in lines then and there is a 2-hour class on Sunday each week.

### Categories

<table>
<thead>
<tr>
<th>Categories</th>
<th>Permanent</th>
<th>TW-1</th>
<th>TW-2</th>
<th>CT</th>
<th>ST</th>
<th>Apprentice</th>
<th>Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>40,000-</td>
<td>19,800</td>
<td>19,800</td>
<td>19,800</td>
<td>10,400</td>
<td>13,500</td>
<td>17,000</td>
</tr>
<tr>
<td>(in Rs. in</td>
<td>45,000</td>
<td>(in hand)</td>
<td>(in hand)</td>
<td>(in hand)</td>
<td>(in hand)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>January 2018)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Period</td>
<td>--</td>
<td>7 months</td>
<td>7 months</td>
<td>2 years</td>
<td>3 years</td>
<td>1-2 years</td>
<td>--</td>
</tr>
<tr>
<td>Dress</td>
<td>Light yellow shirt, slate colour pant</td>
<td>Light violet shirt, choccolate colour pant</td>
<td>Light violet shirt, choccolate colour pant</td>
<td>Light blue shirt, blue pant,</td>
<td>Blue shirt, slate colour pant</td>
<td>Light violet shirt, choccolate colour pant</td>
<td>Dress provided according to contractor</td>
</tr>
</tbody>
</table>

All these workers do more or less similar kind of work in line. For a crucial section like Vehicle Inspection (V.I.) department, where 90 workers work on 4 lines to check 930 cars in each shift with a cycle time of 2 minutes per car, there are only 10-15 permanent workers. There are around 10 Student Trainees, and the rest are temporary workers and contract workers.

**CASE 2: India Japan Lighting (IJL), Bawal**

India Japan Lighting, a manufacturer of automobile lighting and supplier of head lamps and rear lamps mostly to Maruti Suzuki and also to other companies like Toyota Kirloskar, Honda Siel, Tata Motors, Yamaha etc, has its unit in Bawal industrial area since November 2006. It is a joint venture between Lucas TVS of Chennai and Koito Manufacturing Company Ltd of Japan. The study of the process of contractualization and Informalization of labour in this plant is of significance as IJL was one of those plants in these industrial belt from where the informalization of labour in terms of ‘Diploma Apprentice (DA)’, ‘Diploma Trainee (DT)’ etc started in 2013. The ‘NEEM trainee’ is a recent feature too.

The main burden of production is on the Diploma Act Apprentices (DAA), NEEM trainees and contract workers. Each month around 30-40 DAAs join the company. Though they are diploma holders from polytechnic colleges and supposed to be trained as supervisors, they do the all kind of manual works (trolley pulling, loading-unloading, warehouse maintenance etc) and run machines. They are supposed to become Diploma Engineering Associate (DEA) after one year, then Diploma Engineering Trainee (DET) after two years and then should join staff category after one more year. But only a few could complete these four years and then be made staff in the company. All these categories of workers are not considered ‘workers’ and thus cannot invoke labour law rights.

DET workers raised their demands to be permanent in the company. As company management paid a deaf ear, they tried to form union in August 2017. They filed the union registration process on 9th August, and
the company fired all 77 workers who were involved in the process. Contract workers were taken in their place.

Workers as ‘NEEM Trainee’, all diploma holders, are taken by the company under the scheme of central government of ‘skill development’ program. They get no ESI, PF, no company dress, no identity card of the company (instead, they get an I-card from National Employability Enhancement Mission, the organization that mediates the process and supplies workers). There is only a registrar at the factory gate where they have to sign for ‘in/out’. They get no other facility apart from canteen and bus facility. They are given no extra training and works in production lines. In each shift, there is a NEEM supervisor along with company supervisors. They are all from outside Haryana, states like Uttar Pradesh, Bihar etc.

There are different categories under which workers work in this plant.

<table>
<thead>
<tr>
<th>Category</th>
<th>DAA (Diploma Act Apprentice)</th>
<th>DEA (Diploma Engg. Associate)</th>
<th>DET (Diploma Engg. Trainee)</th>
<th>NEEM trainee</th>
<th>contract</th>
<th>Company Trainee (CT)</th>
<th>permanent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Period</td>
<td>1 year</td>
<td>2 years</td>
<td>1 year</td>
<td>3 year</td>
<td>--</td>
<td>2 year</td>
<td>--</td>
</tr>
<tr>
<td>Salary (in January 2018)</td>
<td>9,500</td>
<td>10,500</td>
<td>12,500-14,000</td>
<td>7000-7,500</td>
<td>8200</td>
<td>15000</td>
<td>27000</td>
</tr>
<tr>
<td>number</td>
<td>300-400</td>
<td>100</td>
<td>Earlier 77, now all fired.</td>
<td>250 incr.</td>
<td>300-400</td>
<td>19</td>
<td>89</td>
</tr>
</tbody>
</table>

If we look into the internal composition of workforce, then there are 3 main shops in the plant, namely Moulding, Surface treatment and Assembly. Among total 143 workers in the Moulding shop, only 28 are permanent. Among 23 machines, 18 machines are completely run by the non-permanent workers. In the Surface Treatment shop, among 350 workers, only 33 are permanent. In the Assembly shop, among 350 workers, only 30 are permanent. In the quality department, among around 150 workers, only 8 workers are permanent, Warehouse has no permanent worker.

**CASE 3: NSK RANE, Bawal**

NSK Rane, a major vendor company of Maruti Suzuki, supplies electric power steering for Maruti 4-wheelers. From 2012, informalization of work got pace with the introduction of around 150 Temporary Operator Trainee (TOT). From 2013, Diploma Operator Engineering Trainee (DEOT) was introduced. Workers under this category are taken by the company after diploma for a period of three years. They gradually replaced the contract workers and became main component of the workforce, though not recognized as ‘workers’ and counted under the category of ‘staff’, thus outside the rights and protection of labour laws.

From last year, Student Trainees, whom the workers call RCMT as they have come from RCMT college, Rudrapur (Uttarakhand) and have RCMT written on their dress, have joined the workforce under “Pradhan Mantri Kaushal Vikas Yojna”. They work in the core production process and attend a class each week on Sunday. They get a stipend of Rs. 8000, but in hand salary is Rs. 5500 as the remaining part is shown as expenditure for shelter (provided by company) etc. They are not in the pay-roll of the company, and their only record with the company is the ‘in/out’ register at the company gate.
## Case 4: Rockman, Bawal

Rockman is a vendor company of Hero MotoCorp and Honda. It supplies wheel, chain set, crank set etc to two-wheeler makers. The Bawal plant, established in 2014, is the most recent among its 5 units in India.

During the survey period, the workers were on strike and in sit-in Dharna outside the place. The strike started from 19 September 2017. Before that, the company had an workforce of around 1000, of which only 44 were permanent. The company took 150 workers in training in 2014 and promised permanency after one year of training, but even after 3-4 years, those workers have not been made permanent. 20 workers, who were from Jharkhand, reported that they were falsely promised a permanent job at that time of joining. Salary of permanent workers was 10,000-15000, salary of trainee was around 9000 and for contract workers, who were shown under 7 different contractors, was of minimum wage. The workers demanded permanency and salary hike and initiated the process of union formation in September 2017. The management suspended 6 workers and stopped the workers at the factory gate on 19 September to write good conduct bond and apology letter. As the workers refused and started indefinite sit-in demonstration at the factory gate, the company management started recruiting new contract workers to run the production. The workers reported that to break the strike, almost 2000 workers were recruited inside the plant. The case of Rockman is an example of informality of employment conditions and contracts between the company and the workers.

### 3. Legal framework and institutions

In earlier days, the main institutions to deal labour matters was labour court, industrial tribunal and labour department. As criminal and civil courts and police-administration now take increasing pro-active role to decide the matters related to labour disputes and labour unrest, the role of labour court and labour department take a back seat. Thus the process of collective bargaining mechanism involving tripartite settlement of workers, management personnel and labour department officials under section 12(3) of Industrial Disputes Act 1947 has been negatively affected. In absence of a bargaining and conciliation mechanism, labour dispute became labour unrest/conflict/militancy, and in recent years, for such incidents, some general patterns have developed:

- **Labour Court:** To curb subjectivity/assertion of labour inside the plant, the worker leaders are terminated. Though terminating worker leaders falls under punishable ‘unfair labour practice’ under 5th schedule of Industrial Disputes Act 1947 and there are procedures for terminating permanent workers, like – providing charge sheet, conducting ‘domestic enquiry’ and giving the workers scope for self-defense under ‘principles of natural justice’ and providing evidences to establish the ‘misconduct’ of worker, and then following company standing order to decide quantum of punishment etc under labour law, the management often prefers to terminate workers bypassing all these processes. Because of the slow procedure in labour department and the labour court, it takes on the average at least a decade to prove an ‘illegal termination’. To afford the
prolonged legal processes in labour court, High Court and Supreme Court becomes extremely
difficult for the workers. Even if the workers challenge any ‘illegal termination’, in many cases
they are compelled to settle for out-of-court settlements. In this industrial belt, in last one decade
the labour court is dealing with thousands of termination matters only from the auto-belt
including around 2500 Maruti workers, around 2500 Honda workers, around 300 Aisin workers,
170 Ahresty workers, 38 Daikin workers, around 200 Toyoda Gosei workers, around 40 Posco
workers, around 50 Asti contract workers, around 100 Hero MotoCorp contract workers, 18 SPm
workers, 29 Munjal Kiriu workers and so on. The 24 Maruti workers who got terminated in 2000
won their case of illegal termination in 2015-16 in the lower court, but the court ordered no
reinstatement as they were no longer fit for new production regime, and instead ordered
compensation of few lakhs. The company has even challenged the order in the High Court. This
legal structure acts as deterrent for workers to get ‘justice’ via law.

• For any disputes regarding union formation, the labour department these days cancels the
application files showing various reasons, giving management sufficient time to contain the
dispute and crush such initiative of union formation by terminating leaders (Cases of SPM, Aisin,
Daikin 2nd file). Sometimes the management gets a stay order on the union process by getting it
challenged by few workers from the civil court (cases of Honda Tapukara and Daikin 1st file).
Then the only way for the workers remain to fight a protracted legal battle in the courts.

• In case of a labour unrest, the management immediately gets a stay order from the civil court
against assembly of protesting workers inside the plant, within 100-500 meters of the factory gate
(with the implication that the workers cannot have any protest or sit-in demonstration near the
plant, as after 500 meters, the area belongs to the premises of another factory), affecting the
freedom of association.

• In case of any strike/mass protest of workers, the issues are treated as ‘law and order’ problem,
rather than a labour dispute. It leads to repression on workers struggle and criminalization of an
entire trade union movement. The incidents of police lathi charge and consequent criminal cases
on workers including jailing have taken place quite a few times in last few years. We take few
examples – police lathi charge and firing on striking Shiriram Piston workers in Bhiwadi and
putting 29 workers in jail on 14 April 2015, police lathi charge on striking Honda Tapukara
workers and jailing of 44 Honda workers under charges of rioting, loot, attempt to murder etc. on
16 February 2016, lathi charge and tear gas on striking Ahresty workers in Bawal and arresting
workers under section 107,151 etc on 21 January 2017, police lathi charge and arresting of
around 400 striking Aisin workers in Rohtak on 30 April 2017. All these incidents tookplace at
the factory remises and in all such cases the entire workforce has been terminated, with the
leaders facing trials in criminal courts under various charges. The workers have not been allowed
to demonstrate peacefully anywhere in the industrial belt.

• There is often an argument that the labour laws in India are not industry friendly. Few aspects are
particularly emphasized in that respect – the difficulty to ‘hire and fire’, and the obligation of
keeping permanent workers. In the section of ‘contractualization and informalization’ we
discussed the ease of hiring an entire workforce, cheap and flexible to ‘fire’, who are not even
recognized as ‘workers’ under the definition of labour law. It requires a prolonged legal battle to
establish that whatever be their category and designation, they participate in core production
process as regular workers, working for 8 hours or more on machines. Secondly, as we saw
above, even the process of terminating permanent workers has been so easy for management
because of the legal hurdles before workers. Except for Belsonica workers in 2016, no other
workers have own the cases of illegal termination and have been reinstated in last one decade in
the entire industrial belt. Manmohan Singh, terminated ex-general secretary of Daikin union, won the case in lower court but is fighting the management in the high court for last two years. Sudhir, ex-general secretary of Ruchi Beer union is similarly fighting the management in the upper court even with an order of reinstatement from the lower court for last four years. Thirdly, section 10 of the Contract Labour Regulation and Abolition Act 1970 says that for perennial nature of job (taking place at least 120 days a year), for core production processes and for permanent nature of work, employing contract workers is illegal. And, the company cannot use ‘sham/camouflage contracts’ to deny the workers permanent job in permanent nature of work. To decide on the matter whether a contract is a ‘sham contract’ or not (which is the case for all companies which employ workers, controls their working condition and directs them what to do, but shows them under different contractors), a state level contract labour advisory committee has the power. Interestingly, the contract labour advisory committee has been constituted only in the last year after repeated attempts from the workers side. In this auto belt, worker leaders cannot recollect any incident of declaring a contract ‘illegal’ or regularizing contract workers for doing permanent nature of work for years by labour bodies or labour court. The current changes in labour law, particularly in terms of employing apprentices, ‘fixed term contracts, changes in rules in trade union formation etc, which the Central Trade Unions are protesting, have been in application in this belt for many years in some form or other. Thus the labour law regulation has hardly been a constraining factor for the industries here. Now these are getting formalized with the changes in law.

4. Whither workers struggle and organization: ‘Associational’ and ‘structural’ power to ‘universal worker’

The trade union movement, which was rooted in the struggles of 1960-70 under a Fordist production regime and a social contract between capital and labour mediated by the welfare state and expressed under a trade union bargaining mechanism codified in labour laws, faced a difficulty to engage with the new wave of plant level workers militancy in new industrial regions, particularly in auto-belts. With the splitting up of production in many units after the collapse of Fordist regime and in the era of economic globalization and emergence of production networks, the earlier associational power of thousands of workers working under one shade got changed. In the new industrial regions, in time of ‘just-in-time’ production, one main feature of recent plant-level workers struggle was that the militancy of the workers were triggered by the worsening working condition in the new production and labour regime and their confidence generated by the structural power they enjoyed operating in important locations in the production networks. Thus the central trade unions could not appropriately represent these struggles. This tendency was visible not only in Gurgaon-Neemrana belt but other industrial regions like Chennai-Sriperumbudur, Pune-Nasik, Rudrapur-Haridwar, Ahmedabad-Sanad-Dholra etc, reflected by the militant struggles of Maruti, Honda, Hyundai, Tata Nano, Toyota etc. But before it could generalize to a representative tendency of recent workers struggle in organized manufacturing sector, the restructuring of production and labour regime by capital substantially reduced workers bargaining strength. Workers subjectivity at the important locations of production networks is either being contained and co-opted (among high-salaried permanent workers) or being smashed/dispersed. The main burden of production is now on a category of ‘universal workers’, young contract/trainee/temporary workers/diploma workers etc, who do not imagine getting a permanent job and are not attached to any particular factory for more than few years. How the subjectivity of this section of workforce will be articulated is a difficult question. But beyond plant-level struggles, they have appeared as a ‘social category’ in the new industrial regions.

In recent times, there has some instances where their anger and assertion got expressed in various forms, recognizing their capacity to affect production. One example is the strike of 250 diploma apprentices in NSK Rane factory in Bawal on 12 February 2012, demanding their right to get production incentive, right
to form union, right to get permanent job after completion of three years of apprenticeship and expressing anger over excessive work pressure and increase of target to 490 units from 435 units per line per shift. These DEOT workers run four of the five assembly lines, and thus exercise significant control over production. Unlike permanent workers, they could take risk as they had little to lose. Production got reduced to 20-25 units per line per shift in lines 2,3,4,5. The strike affected the supply of steering to Maruti, GM H.R. Ravichandran flew to Bawal from Chennai immediately, in presence of labour officials and local administration the management started dialogue with 10 representatives of DEOTs. But the demands were impossible to acknowledge, as they would set a dangerous precedence. Ultimately after three days of strike all the workers together decided not to work in the plant and all resigned. These types of incidents put forwards the questions of (legal) rights of these temporary workers, who are now going to be majority in production, in terms of their right to get recognized as ‘workers’, form union, get incentives and other benefits, get permanency.