



CRUSHED

2022

The Safe in India Foundation's annual report on the state of worker safety in the Indian auto sector



Aakash lost his thumb and two forefingers on a power press machine, while making components for TATA and Mahindra in a factory in Pune, Maharashtra.

The ESIC panelled hospital looked nothing like a hospital – it looked like an ordinary house. There were heaps of garbage dumped all over, and the basement of the building was flooded. A pump was pumping out wastewater. The inside was not much better – one room was temporarily partitioned into tiny separate rooms for patients. Due to stagnant water, the place was rife with mosquitoes. Patients lay on dirty sheets, awaiting their fate.

The demeanour of one patient was different from the others. Lying on the bed, he was watching a YouTube video on his smartphone and seemed oblivious to the dirt and chaos around him. Barely twenty, he was unshaven with a day-old growth. His body – though thin – seemed strong. His eyes contained a spark, though his left hand and thigh were bandaged.

This is his story. Aakash is a resident of Akola, which is approximately 900 kilometres from Pune. His father was a daily wage worker, and the family struggled to make ends meet. He decided that he would make something of his life and noticed that all young men in his neighbourhood migrated to Pune to find work. He too decided to follow suit. Through their recommendation, he got a job as a helper in a factory that manufactures exhaust parts for TATA and Mahindra.

After only a few days into his job, the foreman ordered him to operate the power press, as the operator was on leave. He was shown how the machine worked just once and was asked to then independently operate. He thought that because others seemed to easily work the machine, there was nothing to it. However, when he put his hand into the machine to remove the completed part, his thumb and two forefingers were crushed. While lack of proper training was a definite contributor to the accident, he does not know if the machine itself was also faulty. Despite facing such trauma, Aakash remains optimistic.

“अपने को टेंसन नहीं जो हो गया वो हो गया। अब क्या इस सबको पकड़ कर बैठा रहूं जिंदगी थोड़ी ही खतम ईहु है जिन्दा रहेंगे और अच्छे से काम-वाम करेंगे।”

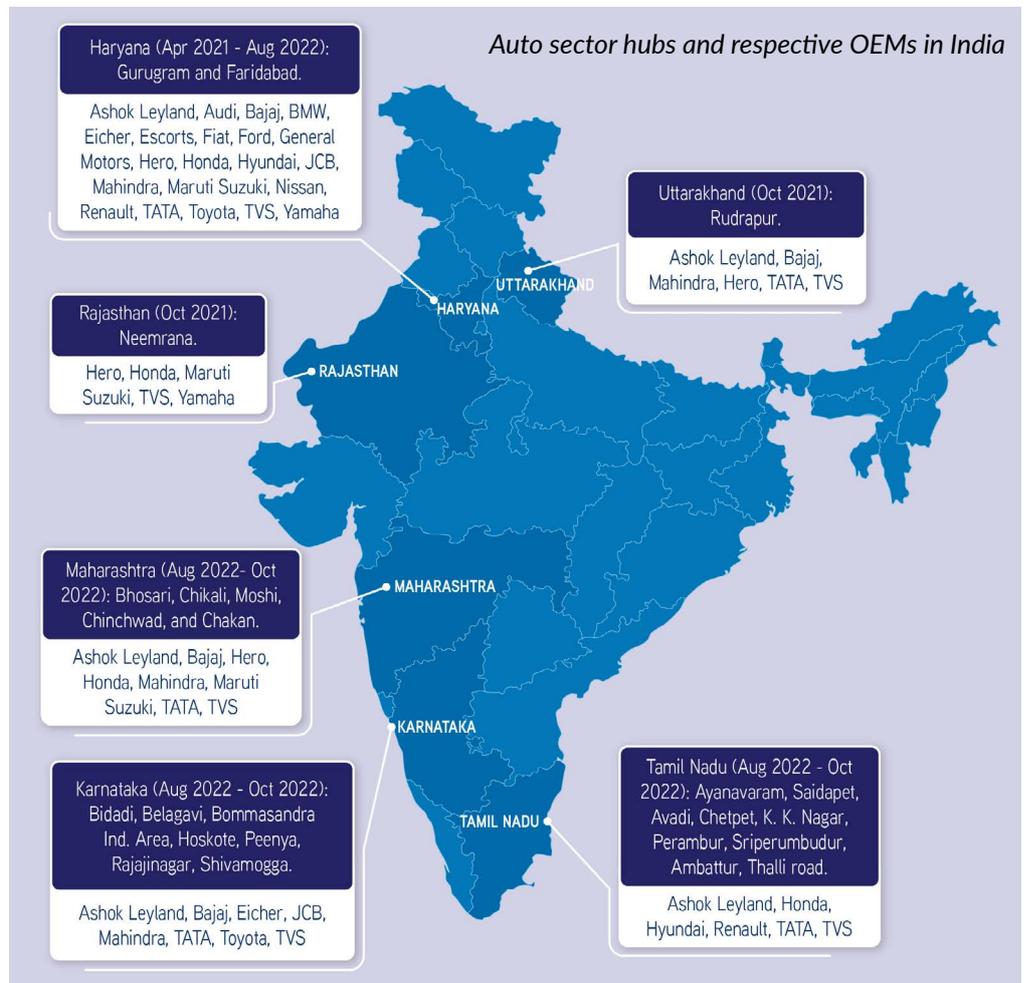
(He says: “I have no tension. What happened, happened. What am I supposed to do – sit and weep about it forever? I have lost a small portion of my life, but the rest of my life remains. I shall continue to persevere and endeavour to work sincerely and well in whatever work comes my way.”)

Aakash's experience shows how precarious workers are at every step of the way: from unsafe working conditions in factories all the way to poor, unsanitary conditions that injured workers meet in ESIC panelled hospitals.

(The above story was narrated by Aakash to Jitendra Dabla, SII, in Oct22.)

**Another injured worker from Pune*

1 EXECUTIVE SUMMARY



India's automobile industry operates out of multiple locations ("auto hubs") across the country, contributes 7.1% into India's GDP and employs c.37m workers directly and indirectly.

CRUSHED2022 retains the spotlight on this industry and takes forward Safe in India Foundation's (SII's) findings from the previous CRUSHED editions with an important step up: This 4th annual sequel reports data not only from Haryana, where SII has been based, but also from Maharashtra, Uttarakhand, Rajasthan, Tamil Nadu and Karnataka. This issue of worker safety and preventable worker injuries in the deeper supply chains of India's automobile industry is a national issue that deserves urgent attention – not only because of the devastating economic and physiological impact it has on the injured workers and their families but also on the industry's professionalism and labour productivity, currently 128th in the world.

The national span of this issue is featured in this report through the following data.

- First-hand data from 6+ years of SII's operations and on 4,000+ injured workers in the auto-sector hubs in Haryana (Gurgaon and Faridabad) and more recently in Maharashtra.
- Data from a time-limited national survey of a few auto-sector hubs in Karnataka, Rajasthan, Tamil Nadu, and Uttarakhand.
- Both of the above exercises covering accidents in the deeper supply chains of 20+ national auto brands.
- Secondary data on worker injuries from the official data sources, such as the Directorate General Factory Advice Service & Labour Institutes (DG FASLI)-published factory accident numbers across India.

KEY FINDINGS

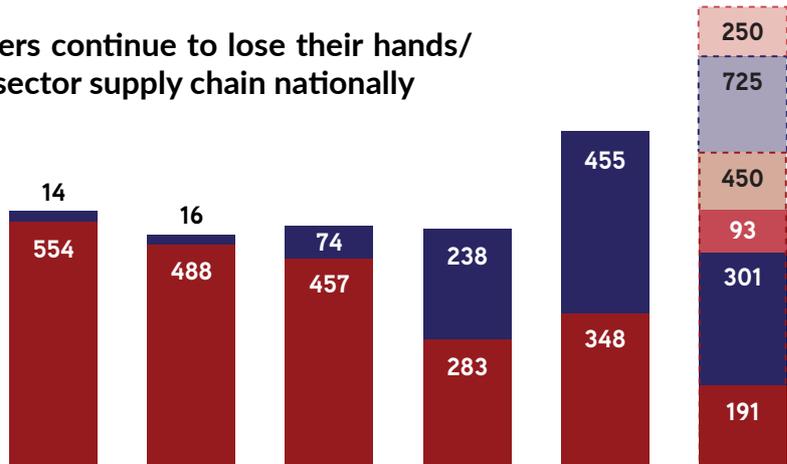
1

Thousands of workers continue to lose their hands/ fingers in the auto-sector supply chain nationally

■ Pune ■ Faridabad ■ Gurgaon
 --- Dashed line denotes an estimated rise in 2023

Data for Gurugram and Faridabad is till August 22.
Data for Pune is from Aug22 - Oct22.

Numbers of injured workers found and assisted by only SII over six years



2

2. It's a national problem and supply chains of all top 10 large auto sector brands contribute to these crush injuries. A national coordinated industry action is needed.

OEMs	Haryana		Maharashtra	Tamil Nadu	Karnataka	Rajasthan	Uttarakhand	Total
	Total Mar '21 - Apr '22	Total Apr '22 - Aug '22						
	498 (62%)	301 (61%)	7 (8%)	0	0	3 (19%)	0	809
	325 (41%)	174 (35%)	3 (3%)	1 (3%)	0	5 (31%)	0	508
	305 (38%)	163 (33%)	3 (3%)	0	0	3 (19%)	0	474
	42 (5%)	28 (6%)	0	0	2 (4%)	0	0	72
	31 (4%)	12 (2.44%)	45 (48%)	0	1 (2%)	0	4 (8%)	93
	7 (1%)	6 (1%)	1 (1%)	10 (33%)	1 (2%)	1 (6%)	0	26
	24 (3%)	5 (1%)	55 (59%)	6 (20%)	14 (29%)	0	19 (48%)	123
	19 (2.4%)	7 (1.42%)	0	0	1 (2%)	0	0	27
	2 (0.25%)	0	0	3 (10%)	0	0	0	5
	9 (1%)	11 (2%)	7 (8%)	0	1 (2%)	0	16 (40%)	44
	2 (0.25%)	1 (0.2%)	1 (1%)	7 (23%)	10 (20%)	0	1 (3%)	22

RED

More than 10% of accidents

AMBER

Below 10% of accidents

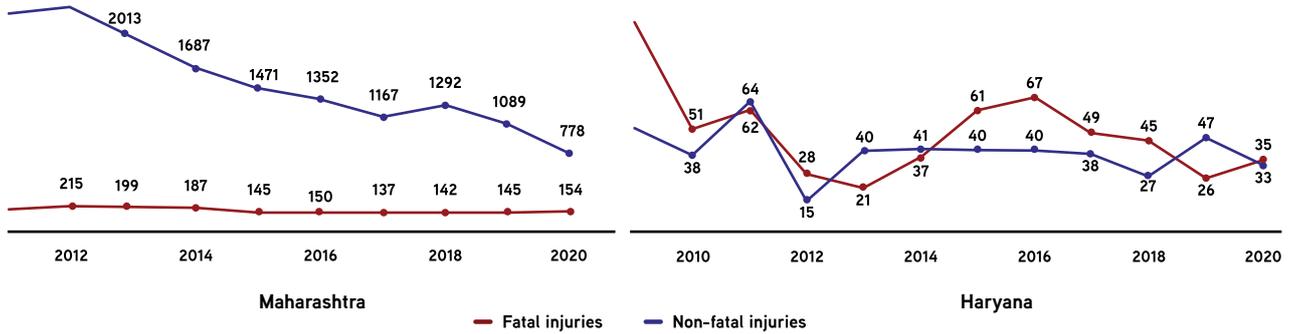
WHITE

No accidents reported to SII yet

Top contributors in states covered in this report are: In Haryana (Maruti-Suzuki, Hero, and Honda); in Pune, Maharashtra (TATA and Mahindra); in Chennai, Tamil Nadu (TVS, Ashok Leyand, and TATA); in Karnataka (Toyota, TATA, and Ashok Leyland); In Rudrapur, Uttarakhand (TATA, Bajaj, and Mahindra) and in Neemrana, Rajasthan (Honda, Maruti Suzuki, and Hero).

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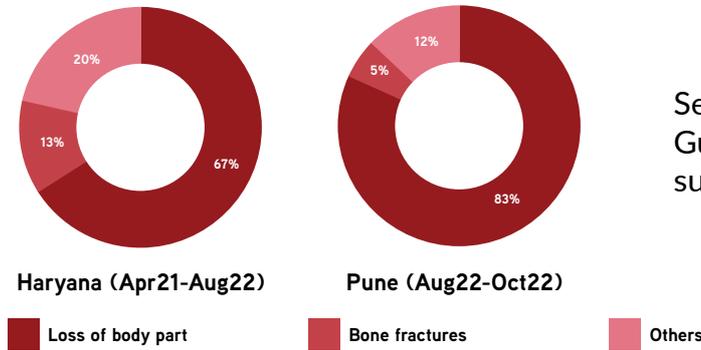
Official accident numbers are a fraction of those assisted by only SII every year in Haryana (and potentially in other states); the problem is much worse in reality than officially recorded.



SII's own worker assistance operations in Haryana and recently Pune (in all c.5,000 workers in 6 years; c.4,000 from auto sector; and c.1000 in last year) are, in all likelihood, a small subset of the universe of worker accidents, illnesses, and deaths nationally. However, Haryana's official reports show only 50-60 non-fatal accidents a year - a fraction of reality. In 2020, the last year of data publicly available, DG FASLI reported only c.2,800 non-fatal injuries nationally.

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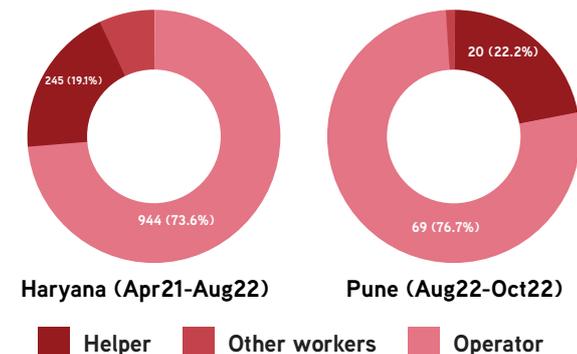
The severity of injuries in factory accidents in Pune appears to be worse than Haryana.



Severity of injuries in factory accidents in Gurugram, Faridabad and Pune: Maharashtra surprisingly worse than Haryana

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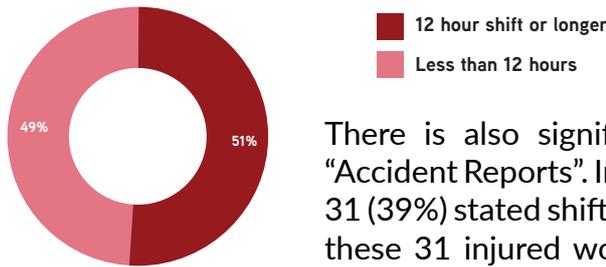
A large number of injuries on machines happen to helpers, who, legally, should not even be operating these machines.



This happens in the auto sector despite ASDC prescribing a minimum education level of 8th standard for press shop operators, considering this a skilled job; helpers hardly ever meet this requirement.

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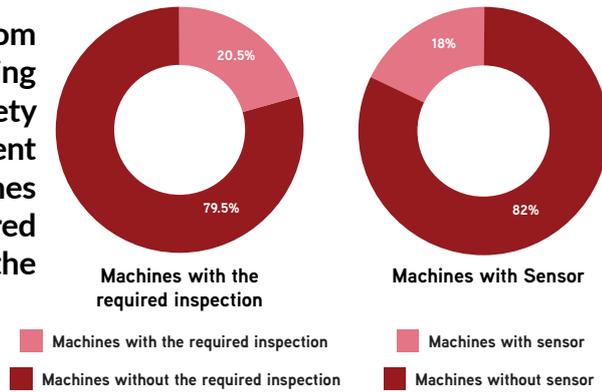
Overworked: c. 50% injured workers report >12 hour shifts, 6 days a week, and not fully paid for overtime.



There is also significant false reporting in official "Accident Reports". In a review of 80 Accident Reports, 31 (39%) stated shift duration of 8 to 9 hours, whereas these 31 injured workers advised SII of a >12-hour shift they were working in at the time of injury.

7

80%+ of injured workers from Haryana reported working on machines without safety sensors at the time of accident and power press machines on which they were injured were operating without the required inspection.



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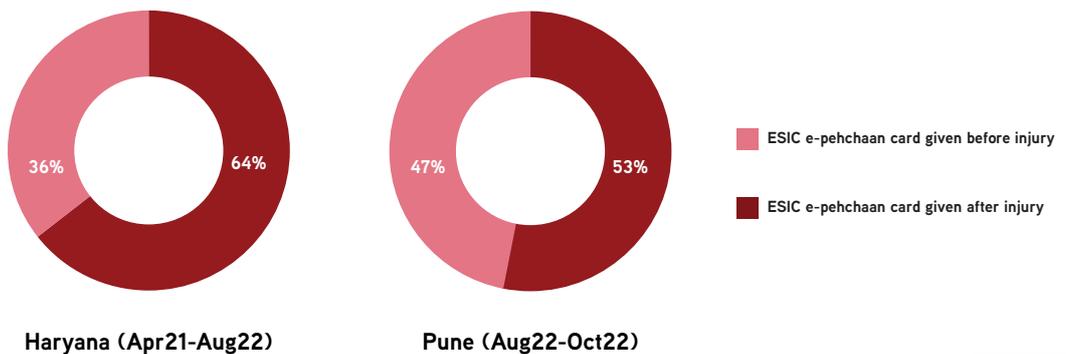
A typical crush injury to fingers results in the loss of two (2.01) fingers per injured worker; about 60-70% injured workers still report loss of body parts, indicating continued dangerous working conditions.



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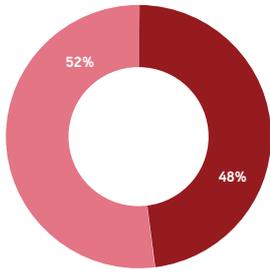
ESIC (national insurance) woes: 60-70% of injured auto sector workers receive their ESIC e-Pehchaan (identity) card only after an accident even though employers collect contribution amounts regularly.

Injured workers who received ESIC e-Pehchaan card post accident also had higher severity of loss of fingers. Better working conditions and better ESIC compliance appear to be correlated.

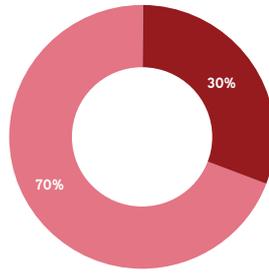


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Most of the injured workers were first taken to private hospitals and only later to ESIC hospitals in both Haryana and Maharashtra-though the latter appears to be better of the two in this.



Haryana (Apr21-Aug22)



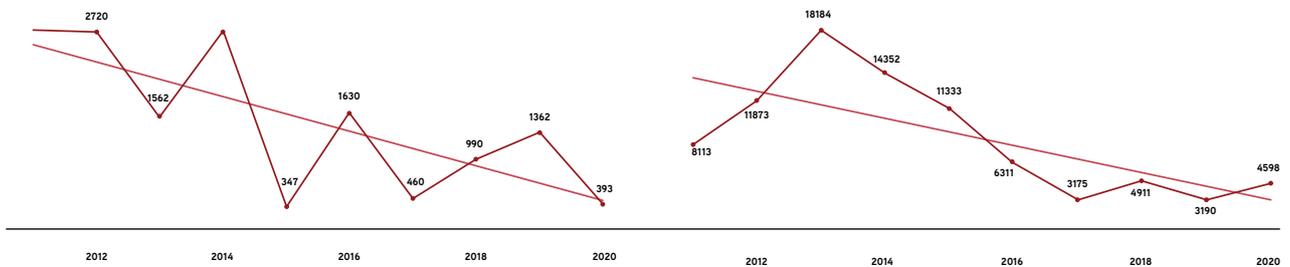
Pune (Aug22-Oct22)

In Haryana, c.48% (Apr21-Aug22) and in Pune, c.30% (Aug22-Oct22) injured workers first taken to a private hospital rather than ESIC.

- Injured workers first taken to a private hospital
- Injured workers first taken to ESIC hospital

11

Haryana and Maharashtra state's factory inspections have been near-consistently reducing for years; when reported, penalties are not enough to be a deterrent



Reducing number of Industrial Safety and Health department's factory inspections in Haryana and Maharashtra

RECOMMENDATIONS

The following top recommendations from SII to various stakeholders still remain.

OEMs: Need for individual improvements in their supply chains but also collaborative collective action

Top five operational recommendations.

- Boards to take responsibility for worker safety in their deeper supply chain.
- Create a joint industry-level task force with SIAM (with some participation from SII).
- Map the deeper supply chain.
- Improve transparency and accountability of accident reporting in the supply chain, weed out habitual offenders and reward safest factories, commercially.
- Initiate ground-level actions, e.g., honest worker safety audits and worker training.

Top five policy recommendations.

- Include all contract workers in their own factories in the OSH Policy statement at par with permanent workers.
- Create, publish, and implement a Supplier Code of Conduct (SCoC).

- Create, publish, and implement a standard operating procedure (SOP) for supply chain.
- Report annually on Indicator 8.8 of SDG8 (the only SDG indicator about worker safety).
- Demand minimum compliance from the supply chains (e.g., all workers should be covered by ESIC from their first workday).

SIAM and ACMA: Leverage convening power to boost collaborative learning and action among OEMs and actors in the supply chain

- Bring the auto industry suppliers and experts together to create a joint task force to prevent accidents in the auto sector deeper chain, while also improving productivity.
- Set up a permanent joint safety team/working group of SIAM and ACMA, with SII's participation as required, to showcase good practices and train members on strategic and tactical costs of accidents and how to reduce them.
- Establish industry standards for safety in auto sector manufacturing.
- Integrate worker safety and health as core organisational values of its members.
- Support SIAM and ACMA members in complying with NGRBC for long-term business success and compliance.

Ministry of Labour and Employment and Department of Labour in states: Drive actions to achieve OSH policy objectives and lead on monitoring efforts

- Drive calibrated actions to achieve the objectives of the OSH Policy, 2009.
- Leverage ESIC data to inform factory inspections; conduct safety surveys.
- Create a reliable accident/injury reporting and governance system, and use it for constant continuing improvements.
- Set up a confidential helpline for workers to report unsafe conditions/factory accidents.
- Introduce a practical policy and mechanism for safety training of contract and migrant workers.

The report also covers SII's recommendations to the:

- **Ministry of Corporate Affairs** for leading efforts to improve business responsibility reporting and for transparent monitoring systems.
- **Niti Ayog** for leading efforts to ensure OSH is prioritised in the country, including by leveraging their tech capabilities.
- **Ministry of MSME** for leading efforts to link worker safety to productivity, professionalism, and quality.
- **Ministry of Industry** for coordinating with the Ministry of MSME and MOLE on regulatory and worker support mechanisms and worker-related information.
- **SEBI** for improving ESG reporting and making companies more accountable for quality reporting.
- **National Skill Development Council** for strengthening focus on worker skills and OSH skills.

SII has, by design, not yet approached the courts, and the domestic and/or foreign investors. SII will continue to engage with the above stakeholders to pursue constructive and impactful actions that drive an improvement in worker safety and thereby professionalism in the auto sector supply chain.



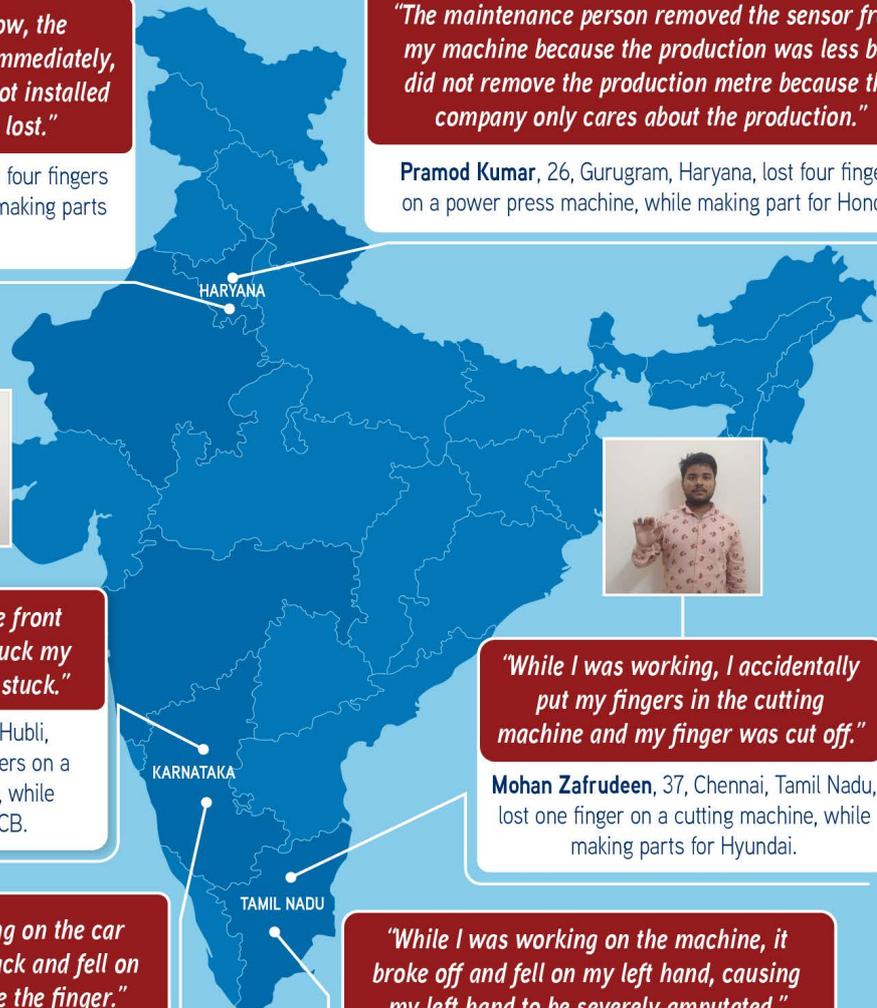
"When the production is low, the production metre is installed immediately, however the safety guard is not installed when someone's hand is lost."

Soni, 25, Gurugram, Haryana, lost four fingers on a power press machine, while making parts for Maruti Suzuki.



"The maintenance person removed the sensor from my machine because the production was less but did not remove the production metre because the company only cares about the production."

Pramod Kumar, 26, Gurugram, Haryana, lost four fingers on a power press machine, while making part for Honda.



"When I changed the front parts of the JCB, I stuck my hand in it and it got stuck."

Raju Amaravati, 32, Hubli, Karnataka, lost five fingers on a power press machine, while making parts for JCB.



"While I was working, I accidentally put my fingers in the cutting machine and my finger was cut off."

Mohan Zafrudeen, 37, Chennai, Tamil Nadu, lost one finger on a cutting machine, while making parts for Hyundai.

"While I was working on the car head, it missed the jack and fell on my finger and broke the finger."

Sadanda Karjgi, 40, Dharwad, Karnataka, lost five fingers on a grinding machine, while making parts for Eicher.

"While I was working on the machine, it broke off and fell on my left hand, causing my left hand to be severely amputated."

Deva Sagayam, 38, Chennai, Tamil Nadu, lost one finger on the lathe machine, while making parts for Ashok Leyland.



Different workers' pictures used due to confidentiality and availability



Mr Anil Swarup, IAS (retd.), Former Secretary of Education, Former Coal Secretary, Government of India said in the launch event of CRUSHED 2021

“All CRUSHED recommendations are doable and can be implemented. Emotionally relatable, financially viable, politically acceptable, technologically feasible and administratively doable. SII needs to continue intensive dialogue with stakeholders. I am suffice that the auto industry and government will respond positively to the recommendations”.

Mr Kamal Jaswal, IAS (retd.), Former Secretary, Department of Information Technology, Government of India

“Just as the diamond trade has resolved to reject blood diamonds, which are extracted in countries with a record of civil strife and human rights violation, the automotive industry helmed by OEMs should spurn the blood-stained auto parts produced by factories having a poor safety record”.

Mr Dunu Roy, Director, Hazards Centre (IITD)

“A new parampara akin to that of the learning through heritage needs to be adapted and evolved for the current age of technology and the ever-changing nature of machines. We could teach the use of a 5 kg hammer in a family.

The same cannot work for a 50-ton power press..In 1929, the National Commission on Labour published a similar report about the industry. The report reflects the systemic problems that have existed for decades. Recommendations from the report, then hopefully the past 100 years will not be replicated in If we heed the next 100”



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