

# India: Graziano workers target of management harassment and state repression

17 November 2008

*The following report on the plight of the Graziano workers was submitted by a World Socialist Web Site reader in Delhi, India. Previously the WSWS reported on the September 22nd death of the CEO of the Indian subsidiary of the Italian auto-parts manufacturer Graziano—a death that India's big business media hastily labeled a "lynching" by disgruntled workers. (See Indian CEO killed after negotiations with group of dismissed workers go awry.)*

*The police and state government responded to the death of Graziano Transmission CEO L.K. Chaudhry with mass arrests and pledges to provide employers in the Noida Special Economic Zone, which lies close to Delhi, with increased protection. 137 Graziano workers were arrested by the police, 63 of whom have been charged with the CEO's murder. All of the workers have vehemently denied any role in the CEO's death.*

*The Indian media's shrill denunciations of the Graziano workers was matched by its tardiness in carrying out even an elementary investigation into what happened on the 22nd. In its initial report, the WSWS took note of the absence of any evidence showing that the Graziano workers were responsible for Chaudhry's death, as well as the claim of a well-known politician that Chaudhry might have been the victim of a contract-killing organized by corporate rivals.*

*On October 6, the Times of India carried an article titled, "The untold story about Noida CEO's murder." It included the following startling passage.*

*"The younger brother of the Graziano Transmission chief L K Chaudhary, Surendra, told TOI that 'the labour force was merely a camouflage for someone else who wanted to murder my brother.' Surendra, a barrister in Canada, said: 'The assailants indulged in vandalism for about half an hour. They finally found Lalit and someone hit on his head with a hammer. After this, they fled. The end had obviously been achieved. Graziano's labourers would not have committed his planned murder'."*

*The authorities, however, continue their vendetta against the Graziano workers.*

*What follows is an edited version of the report submitted by the WSWS reader, who has conducted an independent investigation into the background of the September 22 events and has sought to draw attention to the Graziano workers' continuing victimization by the state. The report sheds light on the brutal conditions that exist at factories in India's Special Economic Zones, the connivance of the police and government authorities in the disciplining of the workers, and the impotence of the trade unions.*

A bail-application filed on behalf of 63 workers of Graziano Transmission in Noida near India's capital, New Delhi, on Sept. 30 on the charge of murdering the Chief Executive Officer of the company, Lalit Kishore Chaudhary, has been rejected by the Court of Sessions at Noida, Uttar Pradesh. It is noteworthy that only 19 of the 63 were in fact named in the First Information Report, (a police report that enumerates charges against those accused of criminal wrongdoing).

No arrests were made at the spot of the alleged murder, (the Graziano plant). The workers were only arrested later in the day when they had gone to protest outside the local police station against the police's collusion with the employer. 137 workers were then arrested by the police, out of which 63 were "implicated" in the murder of the CEO and 74 were arrested for apprehension of breach of peace.

In fact, a long drawn out struggle between the Graziano workers and management had culminated in a clash on Sept. 22, 2008, with unarmed workers on one side and a group of armed goons and security guards employed by the company on the other side.

It was during this clash that the CEO of the Company sustained fatal head injuries to which he later succumbed at a hospital. 34 workers were also badly injured during this incident. The corporate media then mounted a hysterical campaign against the workers.

There is little, if any, evidence however to implicate the workers in the CEO's death. In fact many eye-witnesses have testified that the CEO jumped from a rooftop in panic after the clash erupted between the workers and security guards.

Newspapers have also quoted a relative of the deceased CEO as stating that the CEO's corporate rivals were behind his death.

Graziano Transmission at Noida is a fully export-oriented company and subsidiary of the Italian transnational Graziano International. The company started its operations in Noida in 2003 investing a capital of less than Rs. 200 million (around \$4.5 million at the 2003 exchange rate.) In 2008 it had an annual turnover of more than 400 crores (about \$85 million).

It is located in the 'Special Economic Zone' in Noida, where some 24 multi-national corporations have facilities. Of these, 22 are either Italian or Korean.

Production at the factory was carried out around the clock in two shifts of 12 hours each, one from 6 AM to 6 PM and the other from 6 PM to 6 AM. The workers were forced to work 12 hours at a time despite the working-day being statutorily limited to 8 hours. The company claimed to be paying overtime pay for the extra 4 hours the workers were compelled to work.

No weekly holidays were given and those workers refusing to comply were thrown out. Not a single local worker was employed as the employers expected difficulty in controlling workers with deep roots in the local population. As a result, all of the workers employed in Graziano were from other states, such as Uttarakhnad, Bihar, Madhya Pradesh and Haryana.

The company had employed around 350 to 400 permanent workers with an additional 80-100 trainees/apprentices. An additional 500 workers were later hired using labour-contractors who are for all practical purposes, local thugs.

The first disputes arose over the employer's deduction of wages on the bogus claim that employee time-cards had not been properly punched. The workers mounted a protest on 2 December, 2007 demanding a rise in wages and denouncing the wage-deductions.

Getting wind of the workers' striving to form a trade union, management barred 3 workers from entering the factory. One of the workers was terminated. Management then refused to recognize the Union while labour authorities at Kanpur, Uttar Pradesh, despite being constrained by a statutory mandate to register the union, thrice dismissed the union's application for registration. A fourth application was kept pending. There is hardly any doubt that the labour office was acting in collusion with the employer.

100 more protesting workers were locked out on Dec. 4, 2007. A settlement took place between the parties 3 days later only to be repudiated by the employer.

On Dec. 7, 2007, the AITUC, the trade union front of the Stalinist Communist Party of India (CPI), with which the workers had affiliated, sided with management, declaring "normalcy" should first be restored inside the factory as a precondition for later negotiations. Workers refused this sell-out, prompting the AITUC to abandon the workers.

In face of a determined struggle by the workers, management was forced to enter into a written settlement in the presence of the Deputy Labour Commissioner (DLC -the government authority in charge of labour matters in Noida) on Jan. 1, 2008. Five elected representatives of the workers participated in the negotiations. A homogenous wage-revision was agreed to with an increment of Rs. 1200 (\$25) in current year, Rs. 1000 (\$21) in second year and Rs.800 (\$16) in third year.

In February 2008 however, the employers "hired" 400 contract workers. Since June 2008 these workers were given abode inside the factory premises. The contractors also gathered iron rods, sticks and other weapons etc. inside the premises to terrorize the regular workers. Apart from this a whole battalion of armed goons were also employed in the name of "security". It thus became clear that the employers were planning to throw out the permanent workers and substitute them with these contract workers.

In order to provoke the permanent workers, the employers dismissed 5 trainee/ apprentices in May 2008 on the pretext that they handled the job of "settling" of machines without instructions. The workers pointed out that no such written instructions for "settling" the machines were ever provided to any of the workers. Workers demanded the reinstatement of the 5 sacked trainee-workers and insisted that the employer provide explicit written-instructions for "settling" the machines from then onwards.

Instead management suspended 27 more workers. When a Production Manager intervened to advise the higher-ups to treat the workers' demands with some sympathy, he himself was fired from his job.

The employers indulged in further harassment such as reversing the exhaust fans inside the workshop thereby driving the indoor working temperature to intolerable levels.

On the 30th and 31st of May, 2008, 30 workers were charged with committing affray and locked out. Each worker was released only after signing a surety bond in the draconian sum of Rs. 100,000 (\$200 dollars). The workers would have to pay this sum if they committed this "offence" again.

On June 19, 2008, a total of 97 workers stood locked out while around 190 permanent workers continued to work inside. The workers were by this time affiliated with the CITU, the trade union front of the Stalinist Communist Party of India (Marxist) or CPM. The CITU also agreed to the proposal by the employers that "normalcy" inside the factory be first restored by ending worker-protests outside the gate. Only after a month of "normalcy" would the employer agree to reinstate the workers. The workers refused to agree to this, so the Stalinist CITU abandoned the workers as well.

The workers were then forced to affiliate themselves with the HMS, the trade union front of the right-wing Rashtriya Lok Dal Party.

On July 2, the employers locked out the remaining 192 regular workers.

On July 11, a settlement was reached again at the DLC Office at Noida, in the presence of the Sub Divisional Magistrate and the Circle Police Officer. Pursuant to this settlement, the workers rejoined the factory on July 13. Another meeting was then scheduled at the DLC office for further conciliation on July 16.

But instead of reinstating 27 suspended workers as agreed, the employers reinstated only 12 of them on July 16. This was a blatant attempt by the employers to divide and crush the workers one by one.

Under pressure of worker-protests, 55 more were notified to be reinstated. But these workers were locked out the very next day on the false pretext of coming late. The employer also obtained a court order barring the workers from agitating within 300 meters of the factory premises.

When the Labour Commissioner of the State of Uttar Pradesh came to Ghaziabad from Kanpur on his routine rounds, workers met him and complained about the callous attitude of DLC, Noida. The Commissioner transferred the matter to DLC, Ghaziabad from DLC Noida. Another meeting for conciliation took place in DLC office in Ghaziabad, on Sept. 4. However, no solution was reached.

Subsequently yet another meeting between employers and the HMS union took place in the DLC office in Ghaziabad. None of the directly elected representatives of the workers were present at the meeting. It was agreed by the leaders of the HMS that the workers would tender apology to employers on or before Sept 22, 2008.

On Sept. 22, 2008, as the workers gathered to tender apology and go back to their jobs, they were told that only two workers at a time would be permitted to enter. Five Italian consultants of the company were also present on the factory premises at that time. Inside the "time office" where the workers were to render their "apologies," armed security guards and local goons were present in force. These thugs started to coerce workers to specifically admit in their written apologies that they had indulged in sabotage and violence. Some workers succumbed to immense pressure and wrote as they were told by the employers, while some refused. Anil Sharma, time officer slapped one of the workmen for refusing to write the apology using the desired words. A scuffle started and the protesting workman was brutally beaten up by the security personnel and other goons.

On hearing the commotion, workmen present outside the gates entered inside. Unable to prevent the entry of the workmen one of the managers ordered the security men and goons to attack the workers. The security-men even used firearms and fired in the air to intimidate the workers. About 34 workers were injured, some seriously, in the scuffle.

A police officer despite being present with force did not intervene at the behest of management. As a result the police officer has since been suspended for "dereliction of duty".

People from both sides were then rounded up by the local police but those on the employer's side were let go, while the workers were kept in custody. Other workers protesting the collusion of police with the employers were also arrested. Later it became known that the CEO of the company had suffered a fatal head injury. As attested to by the brother of the deceased CEO, it appears that some of the goons hired by management may have double-crossed it, attacking the CEO at the behest of rival industrialists.

However, Graziano management, which was desperate to get rid of the regular workers and to replace them with contract employees, seized on the CEO's death as an opportunity to implicate the workers. The local capitalists, corporate media and the government bureaucracy, meanwhile, united to defame the workers and victimize them.

As mentioned earlier, 63 have been charged with conspiring to murder the CEO while another 74 have been arrested for rioting, affray etc.

Those workers not jailed staged a sit-in protest at the famed 18th century Jantar Mantar space-observatory in New Delhi to call attention to their

victimization. On Oct. 2 another protest was organized by the "Graziano Workers Solidarity Forum" comprising about 15 different labour organizations.

Instead of paying any heed to the workers, the Government of Uttar Pradesh, headed by the reactionary and corrupt Chief Minister Mayawati who claims to be a leader of Dalits (formerly untouchables), appointed a special Circle Police Officer for Industries to provide "security" to the industrialists.

Union Labour Minister, Oscar Fernandes, who initially made a statement advising the employers to be more sensitive towards the grievances of workers and not to push them so hard that they take to rebellion, was forced to withdraw his statement and apologize after the corporate media and industry mouthpieces demonized him.

Serious concern has been expressed by more far-sighted industry bosses and politicians about the sharp decline of the "organized" (unionized) workers in India's workforce from 8 percent to 6 percent. The trade unions in India as elsewhere have functioned as a police force to keep the workers in check and to impose employer dictates.

This is not the first militant action of working class to have occurred in this area. Previously, workers in Daewoo, Denso India Ltd, Yamaha Motors and Goenka Power have demonstrated ample militancy. The Graziano conflict became a national sensation only because of the fright the corporate media and the bosses of industry took at the unfortunate death of the CEO.



To contact the WSWs and the  
Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**