

The Visit

Sometime ago, I visited a medium sized castings company in Coimbatore. The company has been around for thirty years and is owned by one of the largest family business groups in South India. Along with my colleague, a hardened finance guy and a number cruncher if there ever was one, I met the Chief Executive of the company - a family member - in his office. He was a sharp, middle-aged member of the business family, clad in spotless white. The office, a clean white building situated at the entrance of a large property, was air conditioned, carpeted and ostentatious, the portraits of Lord Balaji conspicuous and omnipresent, while the car outside indicated the wealth of the company's owner. After the initial introductions were completed, he began talking about his company, its financial history, its dominant status in the castings industry in India and in supplying components to India's large automotive companies and of the possible tie-ups with World majors for captive production facilities in India. He spoke eloquently of the significance of India's low cost of labour and of the shifting of production bases to India which would leverage on the country's intrinsic strengths of educated, low cost manpower, high quality and a stable democracy. We listened attentively and asked a few questions that we believed were relevant to our study of the castings industry.

After an hour or so, we evinced a desire to see the unit. He lifted the telephone and asked for the Works Manager who came up in double quick time and stood by my side, head bowed obsequiously. Instructions were issued to spare no effort, to leave no stone unturned in providing us all the necessary exposure we needed to profile his company in our study, copies of which would reach potential customers, mutual funds and trade delegations.

We went down the stairs and out of the air-conditioned office. A short walk brought us to the foundry, located a hundred yards away. Nothing during the walk prepared us for the sight within.

The foundry shed was very large; it must have been about 50,000 square feet, with a high asbestos ceiling. There was hardly any light inside, except for the flames from the Cuppola furnace at one end of the shed. The temperature inside the shed must have been at least 45 degrees C. I saw a number of men and women engaged in gruelling and highly mechanical tasks, reminiscent of the images of the Industrial Revolution. The foundry had never been modernised. The workers carried molten metal in barrows onto the casting boxes where it was manually poured on the cast and then covered with sand. The level of dust was incredible - the far side of the foundry was a haze. I saw a couple of men pull a carriage of casting boxes on wheels along a rail, much as a horse would and others carry loads of sand on their back that they then dumped near the casting boxes, straightening up for a few moments on their way back to the sand yard, before bending double under a bag of sand again. The supervisors, men with a rule book and pen in their hands, barked at the

workers instructions combined with generous insult. Everyone was drenched in sweat, the heat of Coimbatore adding to the furnace like atmosphere within the shed.

And then I saw a little girl, probably all of twelve years, stand by the gravity separator and mechanically unload the heavy castings from the box and load them onto a wheel barrow. She should never have been part of this hazardous environment, but then none of them should have been part of this. She saw my obviously shocked face and smiled feebly, yet in her eyes I saw the signs of depredation and despair. My colleague, hardened though he was, stood in silence. He too was watching the little girl. With a brief look in our direction, she began pushing the wheel barrow away, her delicate frame at an acute angle to the barrow as she plied all her strength for a few rupees that would provide a meal for the day and relief from a harsh father, who demanded his share for an evening drink.

A few moments later, the girl returned with an empty barrow and began the unloading process again. My colleague watched her, his eyes transfixed on her face. After a while, he walked up to the girl, thrust a twenty rupee note into her hand and walked out of the foundry. I stood around for a little while longer, taking in the details of the foundry with incredulity, and then followed him. His eyes were moist: he was probably thinking of his little girl; a child he had lost years ago to a debilitating illness.

Back in the office of the Chief Executive, we listened in silence as he continued his talk on the industry. I felt terrible and hollow inside. Now I understood why he didn't accompany us to the foundry and risk getting his white shirt dirty. Everything that had been said about India's competitiveness, exports and the low cost of labour seemed to ring empty. His foreign collaborators wanted to come here, because they could avoid the installation of basic systems required to make the workplace habitable; things that they couldn't avoid in their country. They wanted a country where labour, and the compensation paid for the death of a worker, was cheap, where the courts could be relied upon to take up exploitation and the abuse of worker rights far after the case lost its relevance, where the bureaucracy and the Government empathised with businesses far more than they did, in practice, with those who needed them. This was not a company built on principles, but one built on exploitation. The pantheon of Gods who lined his walls were mute spectators - their presence there itself was farcical, almost pernicious.

I, as an armchair analyst, would sit in my cushioned office and spout finite wisdom and abstruse financial analysis in my report, probably repeating all that he said dutifully, and exculpating him from any possible charge on the grounds that anyone working in a castings foundry should expect such exploitation. I would argue that the working conditions being inhuman were, in fact, beneficial to profitability and that the continuance of repression meant

sustained growth for the company (never mind if none of these workers ever became a shareholder).

India does not need such foreign exchange, created out of the depletion of human capital and the creation of perdition. India does not need such companies, who will no doubt fail to see the changes in the work order and will fall by the competing wayside. India definitely does not need companies who will exploit human beings when the going is good, and in times of an economic recession, throw them to the wolves in the interest of maintaining the price of a share from being battered by callous stock speculators.

India needs, instead, far more of compassion, of feeling, of emotive capital that will provide that little girl, and millions like her, a future in dignity and self belief. India needs managers who believe in human values and see profitability as the welcome bonus accruing to a compassionate enterprise.

That day, I felt, for once, that there was something wrong somewhere. How do we change?