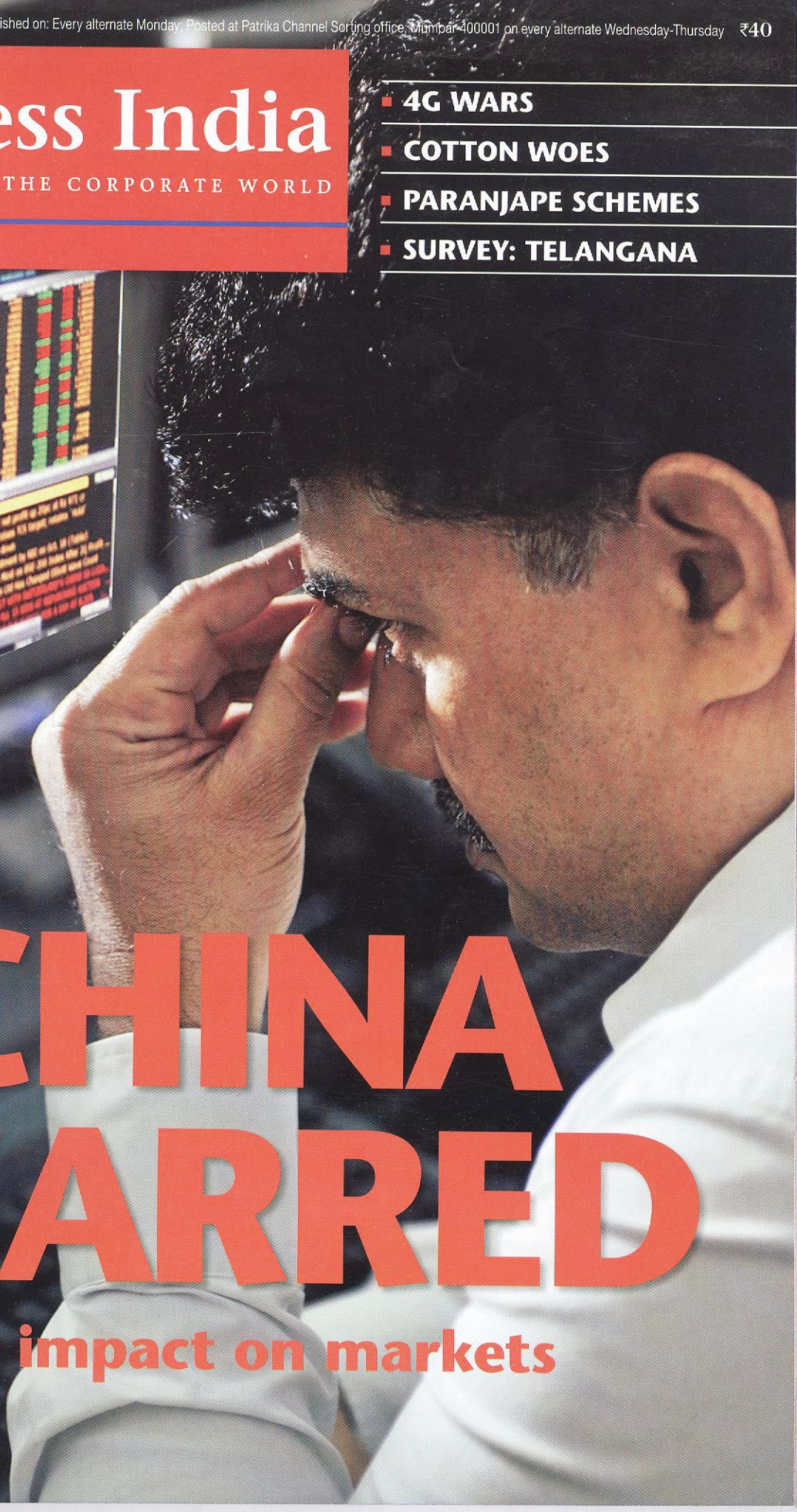


# Business India

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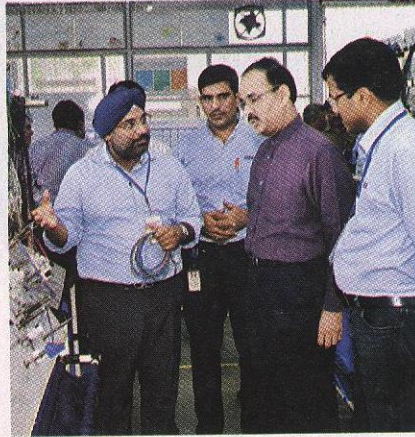
In a unique venture, Spark Minda sets up a factory inside Tihar Jail

It's India's most popular four-wheeler, the Alto 800, from the Maruti Suzuki India stable selling about 200,000 units annually. But does anyone know that certain key components of the vehicle – such as the automotive wiring harness (an assembly of electrical wires, connectors and other parts), as also the electrical wiring system (used to convey information and energy in automobiles) are made inside Tihar Jail?

"These parts are like the nerves and blood vessels in a human body," says N.K. Taneja, group chief marketing officer, Spark Minda, an Ashok Minda group company. "They are significant parts that support the key functions of automobiles and machinery. Similarly, the wiring harness is made up of individual wires that supply power, send sensor signals and transmit information during operation and is a vital component in automobiles. And, in making them, the biggest challenge we face is to ensure that the product is high in quality, low in cost and light in weight."

So, it may come as a surprise to many that the factory that makes these parts is set up inside New Delhi's Tihar Jail – a first-of-its-kind concept developed by Spark Minda, a division of the ₹1,970 crore Ashok Minda group, which has been working on such a model for one of its group companies Minda KTSN, Pirna, Germany. MKTSN, in association with Dresden Jail, Germany, has been doing similar experiments since 2005, where 25 inmates in a unit are making small plastic parts like sub-assemblies, as also a few completely finished parts. MKTSN had organised all the necessary equipment, fixtures, supervisors and other accessories inside the jail premises.

Banking on its prior experience, Spark Minda explored a few such avenues in India and decided to implement a similar project for Tihar. This was no easy task, as Spark Minda had



*K.D. Singh, president Minda Furukawa showing the wire harness to Alok Verma GD (Prisons)*

to convince its joint venture partner, Furukawa of Japan, to set up the facility inside the jail. Getting approval from its main customer Maruti India and Suzuki Japan was onerous too – for the simple reason that quality was a prime concern. Getting approval from the Tihar Jail authorities for setting up the facility as well as establishing a supply chain and network for manufacturing process was problematic also.

## **Skilling them**

While the jail authorities and Maruti Suzuki management supported Minda Furukawa Electric (MFE) and Spark Minda for this corporate social responsibility initiative by providing infrastructure on lease in the premises, it still took one year for the experiment to take off.

"We only engage long-term convicts who have to undergo imprisonment for more than five years," says Taneja. "And we prepare inmates with a skill set so that they can work anywhere in the industry – automotive and non-automotive. Tihar Jail will also provide an experience certificate to them."

Currently, the factory is spread over 300 sq m, which will gradually

be ramped up to 2,500 sq m in the second phase. The entire process of making the wire harness assembly for four-wheelers is managed by one plant manager, three production supervisors, four quality-in-charge, four trainers, six line leaders and 35 inmates. To maintain standards, a second quality check is done at Minda Furukawa's Bawal Plant, Haryana, before the product is dispatched to MSIL. To facilitate this entire process, a few Spark Minda employees are deployed at the jail.

The same preventive systems which are present at Bawal are observed at Tihar Jail factory, which undergoes a system audit once in six months and process audit once in a month by MFE, as well as product audit and tear-down analysis once a year for all types of wire harnesses. The management team also visits this unit frequently to ensure the system.

Currently, some 35 inmates, all male, are working at the factory project in a single eight hour shift, where the factory churns out a daily quota of 200-250 wire harnesses. For the convicts, it's a win-win situation. They are paid ₹99 a day for eight hours of skilled work, and ₹70 a day for unskilled work. A quarter of these wages is deducted and directed towards a victims' relief fund. Minda Furukawa pays 15 per cent more than prison wages, or ₹113.85 a day, for skilled workers and contributes 10 per cent, or ₹11.30 per worker, per day, to the prison welfare fund – a total cost of ₹125.15 per worker, per day, for skilled work. And encouraged by the interest generated, MFE plans to enhance and increase the project size and employ 250 more inmates.

"We have no reservations about the employment of the convicts even after their term is over, but the eligibility criteria of our company have to be fulfilled," says Taneja. "It would mean providing a means for livelihood and also enable them to start a new life after their period of imprisonment is over. While in the jail, the inmates' income is used to support their families and also support the families of the victims."

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