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Business Archives: A window into the corporate past

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# Business Archives: A window into the corporate past\* Vrunda Pathare

Development needs roots and one must know one's past in order to build a future — which is neither an illusion nor a constraint.

Edgar Pissari

With the emphasis on industrial development, science and technology and in the recent past on information technology, postglobalization India witnessed acceleration of economic growth. All this not only had revolutionized our individual value and belief systems but also led to the transformation of our identities as a community. The role of archives becomes all the more important in this fast changing world because if these changes are not recorded our society might suffer from amnesia.

In India, we are already suffering from loss of memory due to general apathy towards keeping of records and archiving them, especially post-independence. In his prologue to *India after Gandhi*, Ramachandra Guha rues that for Indians it seems history comes to an end on 15<sup>th</sup> August 1947. While the vast bulk of historical work has been on the impact of British colonialism on India's socio-cultural and economic fabric, 'the history of Independent India has remained a field mostly untilled and the gaps in our knowledge are colossal'.<sup>1</sup>

<sup>\*</sup> Paper presented at the Workshop 'Rethinking Economic History: Circulation, exchange and enterprise in India' held at the Nehru Memorial Museum and Library, New Delhi, 14–15 March 2012

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<sup>&</sup>lt;sup>1</sup> Guha, Ramachandra, *India after Gandhi: The History of World's Largest Democracy*, Harper Collins, New Delhi, 2007

He feels that 'by training and temperament historians have restricted themselves to the period before independence'. However, more than the temperament it is the 'thinness of the Indian archive' that has its implications on the writing of a contemporary history of Indian state.

As the well-established archives, integral to the apparatus of colonialism and imperialism, the records of colonial period had found their ways to the central or state archives. The availability of information and public evidence is all the more important to ensure transparency in a democratic state. However the keepers of post-independence archives didn't follow the record keeping tradition. As a result, researchers who are exploring the post-independence period are often disillusioned by this non-availability of records.<sup>2</sup> Since Independence, few ministries have transferred their files to the National Archives. Transferring records to the archives didn't remain a priority area for the government officials. Lack of awareness combined with the urge to control information has led to disappearance of important records over the years.

In the year 2003, while working as a research associate on the ONGC Museum Project, I set out on a search for records investigating Independent India's oil policy and the thought process that led to the creation of ONGC. When we approached the National Archives of India, we were informed that ONGC has not transferred the records to the archives. The Ministry's record room was the next destination. However we were completely disillusioned as we couldn't find any record that could give us a historical insight into the creation of ONGC. After consistent search for many months, we were able to trace papers of Keshav Dev Malaviya, who was the then Minister of Natural Resources and Scientific Research (NR & SR), at Nehru Memorial Museum and Library. These papers unfolded the fascinating chapter tracing the genesis of India's oil policy. These papers showed that how it was K. D. Malaviya's concerns about allowing foreign companies a right to oil prospecting anywhere in the country that led

<sup>&</sup>lt;sup>2</sup> "Searching the National Archives for Post-independence government documents is a futile exercise...." complained Akshat Kaushal in his article 'Off the Record' in *Business Standard* (May 28, 2011)

to his proposal to establish an Oil Exploration and Prospecting Division in the year 1954.<sup>3</sup> In a letter dated 2<sup>nd</sup> February 1955 to Pandit Jawaharlal Nehru, K. D. Malaviya wrote, "If all goes well with the Planning Commission and the Finance Ministry I may be able to create a Petroleum Division by the end of February. I propose to call it Oil and Natural Gas Division of the Ministry of NR and SR, Government of India."<sup>4</sup>

In a developing country such as ours, recording the thought process and the contribution of several such Public Sector Undertakings as ONGC, Government bodies/ institutions, banks and others in creating history of sorts will collectively help reconstructing the history of India's nation building process — post-independence. Thus for rethinking the economic past of our country, it is vital to assemble archival records of all such records creating bodies now before they disappear.

#### Writing Business History and Business Records

Corporate and Business history is relatively a new phenomenon in India. While delving into the economic past, very few historians have devoted their attention to private business and the corporate world. Medha Kudaisya while speaking at the Sixth Godrej Archives Annual Lecture in December 2011, pointed out that around the 1960s, business history was still under the shadows of economic and industrial history and suffered from neglect of academia. 'Higher education in India specially in social sciences and humanities, has been greatly influenced by the Nehruvian paradigm with its ideas about economic development, which did not regard entrepreneurship as worthy of academic attention.'<sup>5</sup>

Businessmen themselves did produce their histories in form of biographies, autobiographies, commemorative volumes, company

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<sup>&</sup>lt;sup>3</sup> K. D. Malaviya Papers, File No. 73 (1), Nehru Memorial Museum and Library, New Delhi, pp. 15–16

<sup>&</sup>lt;sup>4</sup> Op. Cit. pp. 19–20

<sup>&</sup>lt;sup>5</sup> Quoted by Vikram Doctor in his article 'B-History: The Return', Corporate Dossier, *The Economic Times*, December 16, 2011

histories etc. which were most of the times written by commissioned authors appointed by companies. Even though one cannot belittle the importance of these works as fragmented pieces of history of the company, one needs to look at them very carefully as they are most often hagiographic in nature and seldom review the business practices and policies or rarely use company records. Moreover, businesses are also often found destroying records to cut costs or due to their growing nervousness about providing access to information in the competitive environment they work in. As a result, very few companies are engaged in preserving their important historical records carefully.

Attention was drawn to business records at the 58th Session of Indian Historical Records Commission held in 2003. Resolution VI adopted at this session recommended identification and listing of Business Houses willing to make their records available for research and requiring help in the matter of cataloguing and preserving their holdings, no concrete steps were taken to encourage business houses to preserve their records. By this time, the Tata Group of companies had established the Tata Central Archives at Pune and Tata Iron and the Steel Archives at Jamshedpur. The Godrej Group on the other hand had started working on a plan of establishing the archives that was conceived in 1995. National Archives of India also deemed it necessary to take into cognizance the relevance of business records for reconstructing the economic past and a seminar was organized in the year 2008 to discuss the precepts and prospects for business archives in India. This was followed by an international conference on business archives organized by the Reserve Bank of India Archive, Pune (the oldest archives in the banking sector, established in the year 1981), jointly with the International Council of Archives and National Archives of India and was attended by more than 50 companies and banks. As a result of all these efforts, we observe over the last decade or so that more and more companies are now contemplating to set up archives to preserve their corporate past.

Even though a few companies have taken steps to preserve their records, their willingness to make this information or knowledge bank of our corporate past accessible to public still remains a challenge.

This disinclination of private companies and also their nervousness to open these records to general public have affected the writing of business history. As early as 1966, while discussing 'sources and problems of business history' at the 37<sup>th</sup> meeting of the Indian Historical Records Commission, C. D. Deshmukh the then Vice Chancellor of University of Delhi had queried if there existed the necessary materials for a proper study of the subject in our accessible records — public or private.<sup>6</sup> This concern remains pertinent even today.

In such a scenario where relatively little exists, or exists but tucked away in the strong rooms of business houses away from public eye, it becomes extremely difficult to explore and rethink the facets of business history. This paper brings forth the value of business archives in reconstructing the economic past and explores the case of Godrej Archives<sup>7</sup>—a corporate archive of the Godrej Group as a window into the corporate past of our nation.

# **Godrej Archives: A Corporate Memory**

Now let me demonstrate how the business archive collections<sup>8</sup> at Godrej Archives not only capture the company's history but also highlight the responses of Indian companies like Godrej to the changing political and economic conditions.

<sup>&</sup>lt;sup>6</sup> Kudaisya, Medha M. (ed.), *The Oxford India Anthology of Business History*, OUP, 2011

<sup>&</sup>lt;sup>7</sup>Godrej thought of setting up the Godrej Archives as early as 1995, when the preparations began for 1997 centenary celebrations. The idea was conceived by the then Chairman late Sohrab Godrej who envisioned the archives to be a heritage centre offering invaluable archival material for reference and research. A further development started with the appointment of professional archivist in February 2006 to systematize the process of archiving Godrej corporate history and a journey towards creating a corporate memory of Godrej Group began

<sup>&</sup>lt;sup>8</sup> Business records include Minutes of Meetings, annual reports, project reports, key correspondence, agreements, contracts, financial records, sales and marketing literature, publicity material, press releases, drawings, photographs, film, tape recordings etc.

Growing sense of disillusionment with the British government that emerged in the late nineteenth century found expression in the writings of Dadabhai Naoroji, M. G. Ranade and others. These writings criticizing the exploitation of Indian resources for the benefit of Great Britain, writes Dwijendra Tripathi, instigated the growing sense of identity in Indian business interests and the rising nationalist tendencies in society as a whole and provided a great deal of impetus to the idea of Swadeshi *i.e.* economic autonomy.<sup>9</sup> Ardeshir Godrej, the founder of the Godrej Group, swayed by Dadabhai Naoroji's writings, believed that in order to achieve economic independence, India must reduce its dependence on the West.

With this belief, he started manufacturing locks in the year 1897 at Lalbaug, Mumbai. He went on to make safes and security equipment (1902), and then created toilet soap from vegetable oil (1918). This lawyer-turned-businessman didn't boast any advantage of merchant tradition as many of his contemporary entrepreneurs. His rise as an entrepreneur can therefore make an interesting case study.

The period after World War I proved beneficial for native business like Godrej as post-war economic compulsions forced the change of attitude of the British government which was now willing to appease the native business instead of alienating it.<sup>10</sup> Godrej also bagged large orders for safes from the Posts and Telegraphs Department of the British Government during this period and by 1928 it had already supplied more than 2000 safes to Government offices. The administrative report of the Government of India for 1927–28 regarding Indian Stores Department stated that Indian-made safes had taken the place of safes of European manufacture formerly used in the Indian Posts and Telegraph Department. (*The Bombay Chronicle*, August 23, 1928).

The Great Depression and later the outbreak of the Second World War compelled the complete transformation in the Government's attitude towards the Indian industries and war pressures increased

 <sup>&</sup>lt;sup>9</sup> Tripathi, Dwijendra and Jyoti Jumani, *The Concise Oxford History of Indian Business*, OUP, New Delhi, 2007, p. 78
<sup>10</sup> *Ibid.* p. 91

Government dependability on Indian manufacturers. The 1930s witnessed the emergence of two industries in the State of Bombay (now Maharashtra) viz. machine tools and automobile.<sup>11</sup> Opportunities opened for many Indian manufacturers especially in machine tools industry as the Government started placing large orders with Indian firms like Kirloskar Brothers. Godrej Tool Room was also established during this period *i.e.* in the year 1935. Though there is no substantial documentary evidence in our archives to conclude whether Godrej Tool Room was the result of such Government encouragement but it certainly was an indication of the changing environment.

The Godrej Story that began as an individual's response to the Swadeshi spirit of the era also represents the post-colonial industrial activity enthused with the dream of new resurgent India. At the dawn of Independence, India dreamt of being self-sufficient in agricultural and industrial production and to achieve this self-sufficiency, the Indian leadership believed 'in technology and progress, in industrialization and machines'. The need was felt for the sustained progress India must itself undertake to produce what it needs. Thus Independence opened up new vista of opportunities for Indian industries as they were to play an important part in development of national capabilities. This period of growth also witnessed some challenging times in the face of acute steel shortage, license raj, and import restrictions. Circular collection (1940-1980) at the Godrej Archives, reflect these trends and also reveals interesting relationship between the state and the business in Nehruvian development model.

The growth of public sector undertakings in post-Independence India created a greater demand for Office Equipment products manufactured by Godrej for new upcoming industrial units and the offices therein. This ever increasing demand called for aggressive sales strategies and the then Sales Manager R. K. Sanjana advised the dealers to gear up their resources, to conduct market studies, in one of the circulars. He also emphasized on more production which was not feasible in the face of acute steel shortage and the restrictions on

<sup>11</sup> Gazetteer of India: Maharashtra State, Greater Bombay District, 1987, Vol. 2, Mumbai

production during the license Raj. Such was impact of the steel shortage, as one of the documents in this collection reveals, that in the year 1963 nearly 500 workers had to be laid off. The circular dated 11<sup>th</sup> January 1963 quoting from a news report that appeared in The Economic Times (10th January 1963) read: "The lay-off of men and the closure of certain units are mainly the result of official delays. There is a time lag of as much as nine months between the receipt of indents by the Iron and Steel Controller's Office and the final issue of works orders by the sales divisions of the state-owned steel company. The private steel companies do not take more than four weeks to take delivery of, when once the Iron and Steel Controller has planned the indents on them."<sup>12</sup> It also hinted at the practice of barter imports of these raw materials against the exports of manganese-ore; ferro-manganese and scrap. Further it also drew attention to the wasteful use of these raw materials by the Government of Maharashtra which even in the midst of the steel shortage decided to use plain black steel sheets for house-roofing to substitute corrugated sheets.13

The circular thus makes an interesting statement on the policy and practices related to raw material supplies and how the acute shortage had affected the industries manufacturing steel products. In spite of these challenges, the period after Independence is a particularly significant one for Godrej as it saw the emergence of a sprawling Godrej Industrial Township in the newly acquired land at Vikhroli (Mumbai). New products that were added to the portfolio during the next three decades following Independence were to make Godrej a household name. Also, restrictions on imports in a way helped the Swadeshi companies like Godrej to take up manufacturing of products which were hitherto imported and this combined with the encouragement provided by the Government, Godrej took up production of the first all-Indian typewriter in the year 1955 followed by the refrigerator in 1958. However, it would be interesting to know that Godrej didn't start its Plant 1 at Vikhroli with its usual product range. It commenced with manufacturing of more than 12 lakh ballot

<sup>&</sup>lt;sup>12</sup> Godrej Archives, Circular Collection, MS08-01-419-272, Doc. 71

<sup>&</sup>lt;sup>13</sup> Godrej Archives, Circular Collection, MS08-01-419-272, Doc. 71

boxes for the first election of Independent India in the year 1951.<sup>14</sup> Collections at Godrej Archives reveal many such hitherto unknown troves of stories.

Setting up of new factories in Vikhroli, introduction of a range of new products in the 50s and the 60s resulting in growth of business necessitated revamping of sales and marketing strategies to penetrate the untapped markets. The 70s thus marked the transformation in Godrej from 'traditionally' managed to 'professionally' managed business. By the 1960s, with the establishment of IIMs at Kolkata and Ahmedabad, the management education had already laid its foundation in India. Around the same time, K. R. Hathi, a senior Godrej employee returned from Sloan School of Management trained in Industrial management, and he advocated the recruitment of MBAs in sales and marketing department from 1968 onwards to address the demands of a fast growing business. By 1976, 38 MBAs were recruited across the company and they were to initiate changes in sales and marketing practices to increase the reach-out for Godrej products and penetrate the untapped territories. The strong distribution network through branches and dealers that emerged as a result of this exercise became Godrej's major strength in the years to come so much so that post-liberalization companies such as GE were keen on collaborating with Godrej to leverage on this penetration that Godrej products had in Indian markets.

Eighties ushered in yet another era in the history of Godrej as it marked a significant manufacturing leap when it was entrusted with

<sup>&</sup>lt;sup>14</sup> Mr. Thanewalla, then a Supervisor at Plant 1 recalled in his oral history interview with Godrej Archives: "I started in Vikhroli making ballot boxes. When we all shifted there a big order for ballot boxes came in. I think I don't know finally how many ballot boxes we ended up making (but we manufactured) about 15 or 17 lacs and at our best I think we were producing 22 thousand ballot boxes per day. Pirojsha Godrej (used to be) promptly there at 3 o'clock every afternoon asking us how it is going. Pirojsha (used to) send his car for us. Bring my boys home. So we (supervisors) used to get the car and come home. All the workers used to go by train. So that is how we started Vikhroli. Vikhroli started making ballot boxes." Godrej Archives, Oral History Collection, OH06002

execution of high precision jobs for India's space programme. In line with Dr. Sarabhai's vision of developing national capabilities, ISRO involved a lot of Indian industries for manufacturing various satellite components and in the year 1986, the Godrej & Boyce Mfg. Co. Ltd. received an order from ISRO for satellite components — the order that marked the entry of Godrej into India's space programme. The success with Indian industries also made ISRO to explore the possibility of developing high-tech vendors among these Indian industries who could regularly supply the whole Vikas engine or its major sub-systems to ISRO. This got reflected in ISRO's Annual report of 1988–89 that stated:

Encouraged by the performance of various components developed in Indian Industries for the Vikas Engine, efforts are mounted to develop high-tech vendors who would take up the manufacture of the whole engine or its major subsystems. The development of a few specialized manufacturers for this major system would not only result in scaling up the level of participation of industry in the space programme but also ensure a sustaining base for supply of these engines in large numbers as required by the future programmes.<sup>15</sup>

Subsequently, in the year 1989, ISRO signed contracts with two private companies — Godrej & Boyce Mfg. Co. Ltd and Hyderabad-based Machine Tools Aids and Reconditioning (MTAR) for the fabrication and supply of the Vikas Engines. "Although initially ISRO resisted the consortium approach," remarked N. P. Mani, former Godrej employee, "it was later convinced that sharing of facilities by consortium had lot of advantages. It benefited both the industry and the customer. Consortium has become a byword today with ISRO..." (*Oral History Collection*, OH08015)

This consortium between industries and the Government of India led to the designing and developing of special facilities such as Push-

<sup>&</sup>lt;sup>15</sup> Raj Gopal, *Reach for the Stars: The Evolution of India's Rocket Programme*, Viking, 2000, pp. 196–7

type Hydraulic expander of 800T capacity indigenously. ISRO in its publication 'INDUSPACE' 91/92 went on record to recognize this as the biggest contribution from the industries.<sup>16</sup> By 1994 the Godrej – MTAR consortium was ready to deliver the first Vikas engine. The case of Vikas engine as an instance of state and business partnership will be worth exploring to understand the relationship between customers and suppliers in the creation of knowledge within the context of the indigenous development of space technology in India.

## Conclusion

Business records at the Godrej Archives, thus, weave together history, industrial archaeology, technology, environment, economics and socio-cultural transformation of customer needs. These records embodying the decisions and development of company policy and practice find meaning when they are juxtaposed with the social, economic and political conditions prevalent in those times. A business narrative that emerges from such collocation can facilitate better understanding of the corporate past of our nation.

However we also must understand the challenges in using records of business houses for reconstructing corporate past. Companies often use their business archives as a tool for institutional publicity and for building the brand identity. This use of archives, however, often leads to preserving 'selective' memory. Some stories are bound to get the preferential treatment and certain incidences detrimental to the company's image may not come into public domain at all. Such selections or rather exclusions may pose a challenge for archivists to encourage critical writing of business' history.<sup>17</sup>

<sup>&</sup>lt;sup>16</sup> INDUSPACE' 91/92, A special publication of ISRO, April 1992, p. 47. <sup>17</sup> Pathare, Vrunda, 'Business Archives: Collective Memory Selective Approach', in Fujiyoshi, Keiji (ed.), *Archives of Maintaining Community and Society in the Digital Age*, Publication of proceedings of the session 'Archives for Maintaining Community and Society in the Digital Age' in the 40th World Congress of the International Institute of Sociology (IIS) held in New Delhi (February 2012), Japan Society for Promotion of Science (JSPS), 2013

Therefore, while rethinking the past, we must also rethink the role of archives that is bound by the structure it represents as there is always a danger of neglecting histories beyond that structure. In spite of these limitations of business archives, historians cannot afford to ignore the businesses as 'elitist' as they form a major sector of a society and at the same time they are also a product of the sociocultural as well as economic fabric of the time they represent. One cannot write off the way in which they affect the lives of their workforce as well as their customers and thus in turn the whole society. Therefore, I believe that though business records might not currently play a particularly central part in historians' or archivists' practices in India, they will have a growing role in a new archival future.

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