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SUMMER INTERNSHIP PROJECT2025

REPORT TITLE

Statutory Compliance Under Factories

Act: A Systematic Study in Ganesh Metalics Ltd.(SGML)

SUBMITTED BY

Yash Gochhayat

MBA Batch: 2024-26
University Regn. No.: 2406258312

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CERTIFICATE OF FACULTY/INTERNAL GUIDE

This is to certify that Mr.Yash Gohhayat, bearing university registration no.2406258312 of 2024-26 batch, has completed his summer internship at Shree Ganesh Metalics Ltd.(SGML) from 09/06/2025 to 19/07/2025 under the supervision of Ms.Puspanjali Mishra (corporate guide) and has submitted this project report under my guidance in partial fulfilment of the requirements for award of the degree of Master of Business Administration at Biju Patnaik Institute of Information Technology and Management Studies, Bhubaneswar. To the best of my knowledge and belief, this project report has been prepared by the student and has not been submitted to any other institute or university for the award of any degree or diploma.

Date:
Place: Bhubaneswar

Signature of the Faculty/Internal Guide
Name:
Designation:

Declaration

I, Mr. Yash Gochhayat Bearing university registration no.2406258312. (2024-26 batch), hereby declare that the project report titled Statutory Compliance Under Factories is based on my internship at Shree Ganesh Metaliks Limited (SGML), during the period 09/06/2025 to 19/07/2025 and is an original work done by me under the supervision of Mr. Shushant Panigrahi (Corporate Guide) and Ms. Puspanjali Mishra (Internal Guide). This report is being submitted to Biju Patnaik Institute of Information Technology and Management Studies, Bhubaneswar, affiliated to Biju Patnaik University of Technology, Odisha, in partial fulfilment of the requirements for the award of the degree of Master of Business Administration. This project report has not been submitted to any other institute/university for the award of any degree or diploma.

Date:

Place: Signature

ABSTRACT

This report presents a systematic study of Statutory Compliance under the Factories Act, 1948 with special reference to Shree Ganesh Metaliks Limited, a leading steel manufacturing company in Odisha. The Factories Act is a cornerstone legislation ensuring the health, safety, welfare, working hours, and employment conditions of workers in industrial establishments.
The study highlights how Shree Ganesh Metaliks Ltd. integrates statutory requirements into its daily operations through:

- Health Measures – clean drinking water, sanitation, and ventilation.
- Safety Provisions – personal protective equipment (PPE), machine guarding, and fire safety.
- Welfare Facilities – canteens, first aid, and restrooms.
- Working Hours & Leave – adherence to weekly limits, overtime payment, and leave with wages.
- Employment Regulations – prohibition of child labor and protection of women employees.

A descriptive research design was adopted, using both primary data (interviews with HR, safety officers, workers) and secondary data (compliance reports, Act provisions, journals). The compliance practices were assessed against legal requirements using checklists and monitoring tools.

Key findings reveal that Shree Ganesh Metaliks Ltd. maintains strong compliance in most areas, ensuring worker safety and welfare, while also recognizing the importance of continuous monitoring and periodic audits to close minor gaps.

Limitations of the study include restricted access to confidential data, time-bound analysis, and cautious responses from workers.

Conclusion: Statutory compliance under the Factories Act is not only a legal obligation but also a strategic necessity. By adhering to compliance, Shree Ganesh Metaliks Ltd. strengthens its reputation, improves employee satisfaction, reduces workplace accidents, and ensures sustainable industrial growth.

CONTENT

CHAPTER-1

INTRODUCTION

The Factories Act, 1948 is one of the most significant labor legislations in India. Its primary purpose is to ensure health, safety, welfare, and working conditions of workers in factories. Every factory in India is required to follow its statutory provisions to safeguard employees and avoid legal penalties.

This report systematically studies how Shree Ganesh Metaliks Limited, a reputed steel manufacturing company, complies with the statutory requirements of the Factories Act. The study highlights the importance of compliance in maintaining worker safety, improving productivity, and building a sustainable organizational reputation.

The Factories Act, 1948 is a landmark legislation in India designed to regulate the working conditions of factory workers. Its main objectives are to ensure:

- Health of workers (cleanliness, drinking water, sanitation).
- Safety (protection from accidents, use of PPE, fire safety).
- Welfare (canteens, rest rooms, first aid).
- Working Hours (limits on working hours, overtime, weekly holidays).
- Employment Regulations (prohibition of child labor, maternity benefits, leave with wages).

In modern industries, statutory compliance is not just a legal requirement, but also a business necessity to maintain worker trust, productivity, and organizational reputation.

This study systematically analyzes how Shree Ganesh Metaliks Limited, a steel manufacturing company in Odisha, complies with these provisions.

OBJECTIVES OF THE STUDY

The main purpose of this study is to examine how Shree Ganesh Metaliks Limited complies with the provisions of the Factories Act, 1948. The objectives are:

- To study the health, safety, welfare, and working conditions provided to workers at Shree Ganesh Metaliks Ltd.
- To analyze the role of management in ensuring compliance and protecting workers' rights.
- To suggest practical improvements for better statutory compliance in the company.

SCOPE OF THE STUDY

The scope of this study is limited to understanding how Shree Ganesh Metaliks Limited complies with the Factories Act, 1948. It focuses on the company's practices related to worker safety, welfare, and statutory obligations.

The study covers:

1. Health Provisions
   - Cleanliness of workplace, proper ventilation, safe drinking water, and sanitation facilities.
   - Example: Availability of purified drinking water and clean restrooms for workers.

2. Safety Provisions
   - Protection against accidents through machine guarding, fire safety, and use of protective equipment.
   - Example: Workers wearing helmets, gloves, and safety shoes in high-risk areas.

3. Welfare Measures
   - Facilities such as canteens, first-aid boxes, restrooms, and crèches (if required).
   - Example: A canteen provided inside the factory for workers' meals.

4. Working Hours and Leave
   - Compliance with limits on working hours (48 hours per week), overtime rules, weekly holidays, and annual leave with wages.
   - Example: Ensuring that no worker is forced to work beyond statutory limits without overtime pay.

5. Employment Regulations
   - Prohibition of child labor, ensuring safety of women workers, and provision of maternity benefits.
   - Example: No employment of workers below 14 years and special facilities for women.

6. Compliance Monitoring
   - Study of company records, audits, and inspections to ensure rules are properly followed.

METHODOLOGY OF THE STUDY AND LIMITATION

The study is descriptive in nature since it focuses on observing, recording, and analyzing compliance practices without manipulating any variables.

Data Collection

1. **Primary Data**

- Interviews with HR managers, Safety Officers, and selected workers.
- Observations of factory premises, safety measures, and welfare facilities.
- Structured questionnaire/checklist based on the Factories Act provisions.

2. **Secondary Data**

- Company records and compliance reports.
- Provisions of the Factories Act, 1948 and its amendments.
- Government reports, journals, and previous research studies.

Tools & Techniques Used

- Compliance Checklist – A checklist prepared as per Factories Act requirements (health,safety, welfare,working hours, etc.).
- Comparative Analysis – Comparing legal requirements with the actual practices of the company
- Scoring Method – Rating each compliance provision as Complied, Partially Complied, or Not Complied.

Example: If the Act requires 1 first-aid box per 150 workers, the study checked whether Shree Ganesh Metaliks Ltd. maintains this provision.

Sampling

- Respondents included:
- 1 HR Manager
- 1 Safety Officer
- 15 factory workers (selected randomly)
- Sampling Technique: Purposive Sampling (choosing those directly involved in compliance practices).

Data Analysis

- Data from interviews and observations were compared with statutory requirements.
- Gaps in compliance were identified.
- Results were represented using charts, diagrams, and flowcharts for clarity.

LIMITATION

While this study on Statutory Compliance under the Factories Act in Shree Ganesh Metaliks Ltd. provides useful insights, it has certain limitations:

- Limited to One Company – The study focuses only on Shree Ganesh Metaliks Ltd., so the findings may not represent practices of other industries or factories.
- Restricted Access to Data – Some compliance documents and audit reports were confidential and could not be fully accessed, which limited the depth of analysis.
- Time Constraint – The research was conducted within a short time frame, so long-term trends and seasonal variations in compliance could not be studied.
- Employee Responses – Workers and staff sometimes hesitated to share negative experiences due to fear of management, which may have affected the accuracy of primary data.
- Dynamic Legal Environment – Labor laws and compliance standards are updated frequently. The study is based on current provisions of the Factories Act, so future changes may alter the findings.
- Geographical Limitation – The study is based on the company's operations in Odisha and does not reflect compliance practices of its branches or other units elsewhere.

REVIEW OF LITERATURE

1. Mishra & Kumar (2015)

    - Studied the effect of compliance with the Factories Act in manufacturing industries.
    - Found that strict compliance reduces accidents and improves employee morale.
    - Concluded that safety measures are not just a legal necessity but a productivity booster.

2. Gupta (2018)

    - Researched on industrial relations and statutory compliance in Indian factories.
    - Observed that non-compliance leads to penalties, strikes, and poor relations between workers and management.
    - Highlighted that compliance builds trust and reduces labor disputes.

3. Kumar (2020)

    - Analyzed welfare provisions under the Factories Act in large-scale industries.
    - Found that canteens, rest rooms, and medical facilities increase employee satisfaction and reduce absenteeism.
    - Suggested that welfare compliance enhances retention of skilled labor.

4. Sharma & Singh (2021)

    - Focused on safety compliance in the steel industry.
    - Reported that industries with regular safety audits and PPE usage had fewer workplace injuries.
    - Stressed the importance of continuous training and monitoring.

5. International Perspective (ILO Report, 2019)

    - The International Labour Organization highlighted that workplace compliance laws across countries aim to provide decent work, fair wages, and safe environments.
    - Indian Factories Act was recognized as a significant step in aligning with global labor standards.

CHAPTER - 2

COMPANY PROFILE

Shree Ganesh Metaliks Limited (SGML) is a company that manufactures metal products, including sponge iron, billets, and TMT bars. SGML's profile includes:

Products: SGML manufactures sponge iron, billets, and TMT bars.

Location: SGML's manufacturing facility is located in Sundergarh, Odisha.

Capacity: SGML has a capacity of about 130,000 MTPA for sponge iron, 182,000 MTPA for billets, and 90,000 MTPA for TMT bars.

Power plant: SGML has a 32 MW power plant for captive consumption.

History: SGML started as a small family business in the mid-twentieth century, trading primarily in textiles.

Promoters: SGML's promoters include Manoj Kumar Agarwal, Madanlal Agarwal, Kailash Chandra Agarwal, Braja Kishor Panda, Rajendra Minz, Poonam Luharuka, Sunita Agrawal, and Dipak Srivastava.

FORMATION OF Shree Ganesh Metaliks Limited (SGML)

shree Ganesh Metaliks Limited (SGML) was founded in 1995 as part of India's growing metal and steel industry. The company primarily operates in the steel sector, producing a range of products, including sponge iron, steel billets, and TMT bars.

The formation of SGML was aimed at meeting the increasing demand for steel and metal products, both for domestic infrastructure projects and international markets. Over the years, the company has expanded its manufacturing capabilities and modernized its production processes to cater to a wide range of industrial applications. SGML's commitment to sustainable and eco-friendly practices has also been a core part of its operational philosophy, emphasizing resource optimization and the reduction of carbon footprints in its manufacturing processes.

Shree Ganesh Metaliks Limited (SGML) has had several key milestones and business operations that have shaped its growth and position in the Indian steel industry. Here's an overview of some significant aspects:

1. Core Business Operations:

- **Sponge Iron Production**: SGML started with the production of sponge iron, which is a primary raw material for steel manufacturing. It continues to be a major part of their business, and the company has expanded its capacity over the years.
- **Steel Billets**: The company produces steel billets, which are a semi-finished product used in the production of various steel items like rods, bars, and structural steel. These billets serve both in-house manufacturing and external clients.
- **TMT Bars**: SGML is also involved in the production of Thermo Mechanically Treated (TMT) bars, which are used extensively in the construction industry for building infrastructure, bridges, and residential projects. Their TMT bars are known for strength, durability, and corrosion resistance.
- **Ferro Alloys**: Apart from steel products, SGML has diversified into ferroalloy production, which is essential in steelmaking for deoxidizing and adding strength to the metal.

2. Milestones:

- **Expansion of Production Facilities**: Since its inception in 1995, SGML has undergone several capacity expansions to meet increasing demand. It has invested heavily in upgrading its plants and adopting the latest technologies to enhance productivity and efficiency.

- **Vertical Integration**: SGML has pursued a strategy of vertical integration, ensuring that it manages multiple stages of steel production in-house. This not only allows for better quality control but also helps in cost management and optimizing supply chain operations.

- **Environment-Friendly Practices**: The company has placed a strong emphasis on reducing its environmental impact, especially in waste management, water conservation, and reducing carbon emissions. SGML has implemented energy-efficient technologies in its plants and taken steps towards adopting renewable energy sources.

3. Certifications and Quality Standards:

- SGML has received several quality certifications, ensuring that its products meet both national and international standards. It has been recognized for its quality management practices, and its TMT bars, in particular, comply with the ISI (Indian Standards Institute) guidelines.

4. Client Base and Markets:

- The company's products serve various sectors including construction, infrastructure, and heavy machinery. SGML's market presence is strong domestically in India, but it also exports its products to international markets. By offering high-quality products, the company has maintained long-term relationships with its clients.

5. Social and Community Initiatives:

- SGML has been involved in several corporate social responsibility (CSR) initiatives aimed at improving local communities, providing healthcare, education, and infrastructural development around its operational areas.

6. Future Plans:

- SGML is focusing on expanding its market share and enhancing its product portfolio to cater to new sectors. The company has also expressed an interest in exploring newer materials and manufacturing processes that align with global trends in sustainable steel production.

Shree Ganesh Metaliks Limited (SGML) Business Operations and Milestones

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OBJECTIVES OF Shree Ganesh Metaliks Limited (SGML)

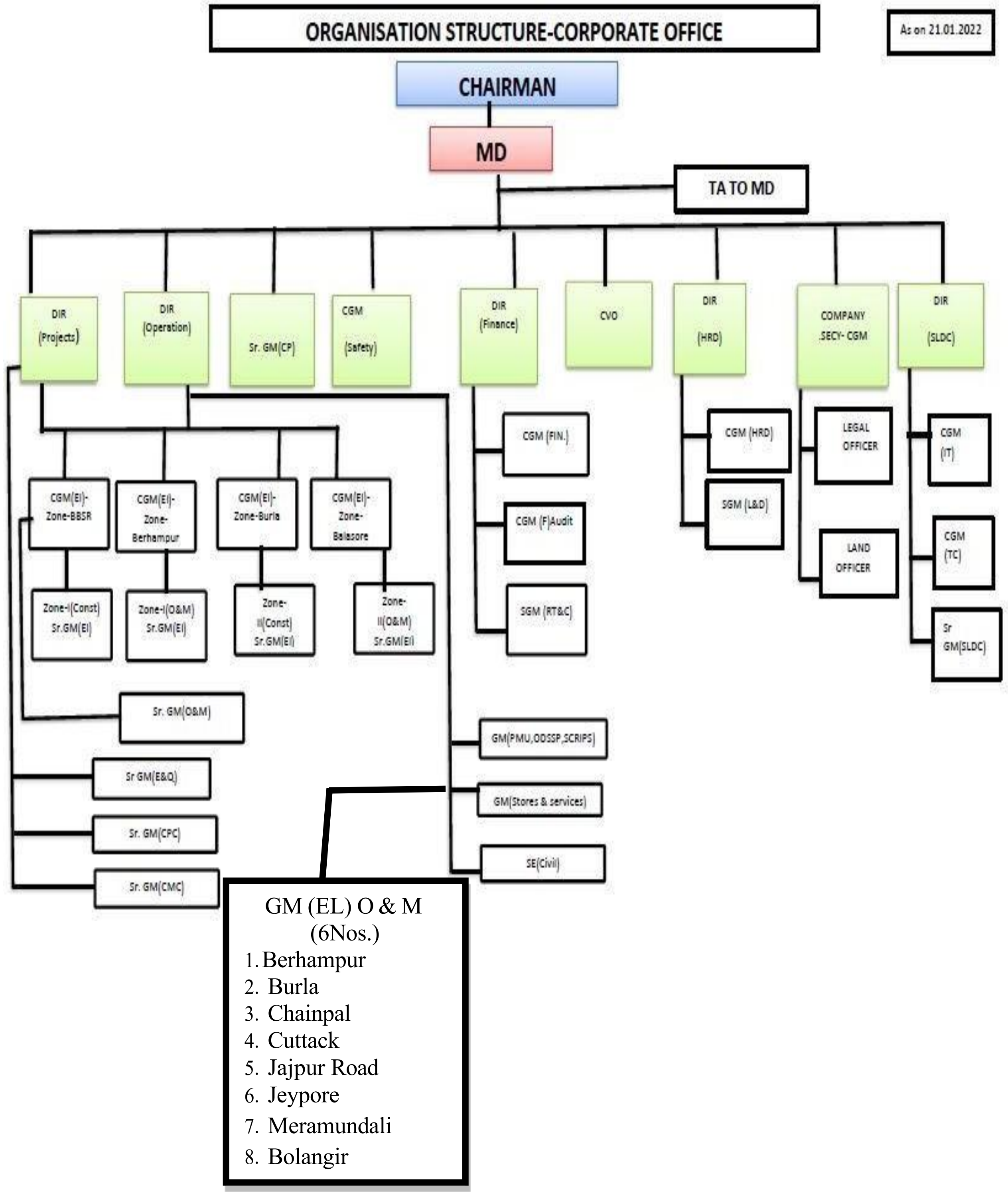
1. **Sustainable Growth**: To ensure steady and sustainable growth by expanding production capacities and enhancing operational efficiencies in steel manufacturing.
2. **Quality Assurance**: To maintain the highest standards of quality in all products, particularly in sponge iron, steel billets, and TMT bars, ensuring compliance with national and international standards.
3. **Vertical Integration**: To achieve complete vertical integration across the steel production process, enabling better cost control, quality management, and timely delivery of products.
4. **Environmental Responsibility**: To adopt eco-friendly practices and reduce the environmental impact of operations through energy-efficient processes, waste management, and the promotion of renewable energy.
5. **Market Expansion**: To expand both domestically and internationally by increasing market share and catering to new industries with diverse steel products.
6. **Innovation and Technology**: To continuously invest in technological advancements and innovative solutions that enhance productivity and reduce costs, while ensuring product excellence.
7. **Customer Satisfaction**: To deliver superior customer service and build long-lasting relationships by offering high-quality products, timely deliveries, and reliable post-sale services.
8. **Corporate Social Responsibility (CSR)**: To contribute to the welfare of the local communities through initiatives in healthcare, education, and infrastructure development, creating a positive social impact.
9. **Human Resource Development**: To foster a skilled workforce by providing continuous training and growth opportunities, ensuring employee satisfaction and productivity.

MISSION

- The mission of Shree Ganesh Metaliks Limited (SGML) is to consistently deliver high-quality steel products that meet the evolving needs of industries while maintaining a strong commitment to sustainability and environmental stewardship. By adopting innovative technologies and efficient manufacturing practices, SGML aims to enhance its productivity and ensure the highest standards of safety and quality in its operations. The company focuses on providing its customers with reliable, durable, and competitively priced steel products that contribute to the growth and development of infrastructure and industries across the globe.
- Additionally, SGML is dedicated to fostering long-term partnerships with its stakeholders, including employees, customers, and suppliers. The company values its workforce and is committed to creating a safe, inclusive, and rewarding work environment where employees can thrive and develop their skills. Through continuous improvement and responsible corporate practices, SGML strives to making a positive impact on the communities in which it operates.

Vision

- The vision of Shree Ganesh Metaliks Limited (SGML) is to be a global leader in the steel industry by driving innovation, sustainability, and excellence in every aspect of its business. SGML aspires to set new benchmarks in steel production through the adoption of cutting-edge technology, eco-friendly manufacturing practices, and customer-centric solutions. The company envisions playing a pivotal role in the development of infrastructure and industries that contribute to the economic growth of nations, while remaining committed to reducing its environmental footprint and fostering social responsibility.
- In the coming years, SGML aims to expand its market presence across international borders and build a diversified portfolio of steel products that cater to the needs of various industries. By remaining adaptable to changing market dynamics and continuously investing in research and development, SGML seeks to be at the forefront of innovation in the steel sector. The company’s vision is not only to grow as a business but also to lead the industry in ethical and sustainable practices that will inspire positive change for future generations.



ORGANISATION STRUCTURE-CORPORATE OFFICE
As on 21.01.2022
CHAIRMAN
MD
TA TO MD
DIR (Projects)
DIR (Operation)
Sr. GM(CP)
CGM (Safety)
DIR (Finance)
CVO
DIR (HRD)
COMPANY SECY- CGM
DIR (SLDC)
CGM(EI)-Zone-BBSR
CGM(EI)-Zone-Berhampur
CGM(EI)-Zone-Burla
CGM(EI)-Zone-Balasore
Zone-I(Const) Sr.GM(EI)
Zone-I(O&M) Sr.GM(EI)
Zone-II(Const) Sr.GM(EI)
Zone-II(O&M) Sr.GM(EI)
Sr. GM(O&M)
Sr GM(E&Q)
Sr. GM(CPC)
Sr. GM(CMC)
CGM (FIN.)
CGM (F)Audit
SGM (RT&C)
GM(PMU,ODSSP,SCRIPS)
GM(Stores & services)
SE(Civil)
CGM (HRD)
SGM (L&D)
LEGAL OFFICER
LAND OFFICER
CGM (IT)
CGM (TC)
Sr GM(SLDC)
GM (EL) O & M
(6Nos.)
1. Berhampur
2. Burla
3. Chainpal
4. Cuttack
5. Jajpur Road
6. Jeypore
7. Meramundali
8. Bolangir

ORGANIZATIONAL STRUCTURE

Classification: -

EXECUTIVES	NON-EXECUTIVES
E10 – DIRECTOR	N10 – SUPERVISIORY – A
E09 – CGM	N09 – SUPERVISIORY – B
E08 – SR. GENERAL MANAGER	N08 – HIGH SKILLED
E07 – GENERAL MANAGER	N07 – HIGH SKILLED – B
E06 – DEPUTY GENERAL MANAGER	N06 – SKILLED
E05 – ASST. GENERAL MANAGER	N05 – SKILLED – B
E04 – DEPUTY MANAGER	N04 – SKILLED – C
E03 – ASST. MANAGER	N03 – SEMI SKILLED – A
E02 – JUNIOR MANAGER	N02 – SEMI SKILLED – B
E01 – MANAGER TRAINEE	N01 - UNSKILLED

1) Industry scope & structure

What SGML sells / where it sits

- SGML operates in the sponge iron (DRI) → steel/TMT chain; its branded TMT is "Shanti UltraMax TMT," and it lists sponge iron capacity ~150,000 TPA at the Rourkela cluster.

Number of players & market concentration (India)

- India is the #2 crude steel producer globally; FY25 crude steel ~138–151 Mt; national capacity ~~198.5 Mt (FY25 prov.). The market includes large integrated groups and a very large long-tail of secondary producers (DRI/EAF & rerollers).

- Top integrated groups: JSW Steel, Tata Steel Group, Jindal Steel & Power (JSPL), SAIL, AM/NS India, RINL. Together these majors account for ~57% of crude steel; remaining ~43% comes from other producers (numerous mid/small players).

- DRI/Sponge iron is highly fragmented: besides integrated majors, many mid-sized Odisha–Chhattisgarh–Karnataka units are represented by SIMA.

Total market size (relevant metrics)

- Finished steel production (India, Apr'24–Mar'25): ~146.6 Mt; sponge iron ~55.7 Mt, predominantly coal-based (≈84%). This underpins demand for iron ore and non-coking coal in clusters like Sundargarh.

Relative shares (practical view for SGML)

- In TMT/long products within Eastern India (Odisha/Jharkhand/Chhattisgarh), no single firm dominates; branded TMT from national players competes with a large set of regional mills (including SGML). National share splits (57% majors vs 43% others) mirror local dynamics where SGML competes in a fragmented, price-sensitive long products market. (Inference from national production shares and SIMA membership landscape.)

Nature of competition

- Integrated flat & long steel (national): Oligopoly among 5–6 majors, with high capex and scale economies.
- DRI/TMT in regional clusters: Monopolistic competition—many regional players differentiate on brand, quality (Fe metallics, strength grades), dealer networks, and delivery.

Differentiation practiced

- Product: TMT grades (Fe500/550/600, corrosion resistance, earthquake resistance claims), consistent chemistry (low tramp elements), billets origin.
- Process/Quality: coal-based DRI quality (metallization), in-house billets, testing labs.
- Branding & channel: strong dealer networks and regional branding (e.g., Shanti UltraMax TMT promoted across Odisha).

Entry–Exit barriers

- Entry (high): heavy capex, raw-material linkages (iron ore/coal), power intensity, pollution clearances (air/solid waste, emissions), logistics (rail/siding), skilled ops; scale economies of incumbents.
- Exit (moderate–high): asset specificity (kilns, furnaces), environmental liabilities, and working-capital entanglement with dealers and ore/coal suppliers. (Aligned with Ministry/JPC and industry norms.)

2) Porter's Five Forces (India long-steel/DRI lens; relevance to SGML)

1. Threat of New Entrants – Low to Moderate
- High capex, clearances, technology & raw-material ties deter entrants.
  − Regional demand growth and cluster know-how keep some entry feasible.

2. Bargaining Power of Suppliers – Moderate to High
- Iron ore & coal control economics; ore prices/imports fluctuate; pellet availability matters. India has strong ore base, but import dynamics and price cycles (and recent ore import trends) impact costs.

3. Bargaining Power of Buyers – Moderate
- Construction/infra buyers and dealers are price-sensitive; product is semi-commoditized.
  − Brand assurance (TMT certification), service, and local delivery can soften buyer power.

4. Threat of Substitutes – Low to Moderate
- Alternatives (aluminium, engineered timber, composites) exist in some applications but steel remains essential for infra/housing. Policy thrust keeps steel sticky.

5. Industry Rivalry – High
- Many regional mills, cyclical pricing, and import pressures (policy-managed) intensify rivalry; majors may influence pricing in downcycles.

3) Emerging trends & market dynamics

Demand & growth

- FY25 domestic steel demand growth ~9–10% (ICRA est.); Government infra, housing, railways, and renewables drive long-product demand (TMT).
- Sponge iron output rising (Apr'24–Mar'25 up ~7.9%), confirming robust EAF/ induction-furnace route utilization.

Technology & decarbonization

- Shift toward EAF/DRI routes, higher quality pelletized feed, energy efficiency, and pilots for low-carbon DRI (gas/H_2) over the medium term; Government's specialty steel PLI nudges upgrades.

Trade & policy

- India is expanding capacity toward ~300 Mt by 2030-31; temporary tariff actions and vigilance against cheap imports support domestic pricing . EU CBAM and global tariffs alter export calculus.

Raw-material shifts

- Iron ore logistics mix evolving; opportunistic imports rise when global prices dip; domestic ore/pellet producers react. This impacts eastern clusters' cost curves.

Product life-cycle (PLC)

- Steel (macro): Mature industry with incremental tech improvements.
- DRI (India): Growth phase given the scale of secondary steel and infra push; long runway as EAF penetration grows.

Marketing dynamics (TMT)

- Regional brand play (dealer/distributor incentives, site-delivery reliability, certification messaging), engagement with contractors, fabricators, and retail hardware chains; quality signaling (e.g., Fe grades, bend/rebend tests) remains core. (Anchored by SGML's own TMT branding practice.)

4) Local cluster context: Sundargarh (Rourkela–Kuarmunda)

- Sundargarh/Rourkela is a dense steel/DRI cluster with multiple sponge iron and rolling units; state/central documents list numerous sponge iron plants in the district/region (e.g., Bajrang, Pawanjay, Jay Balaji Jyoti, etc.), underlining high rivalry and shared factor markets (ore/coal/logistics/labour).

- SGML's 1.5 lakh TPA DRI positions it as a mid-sized cluster player feeding billet/TMT lines with a branded regional footprint.

5) What this means for SGML (practical takeaways)

Positioning

- Play to regional strengths: assured supply, consistent DRI/billet chemistry, fast logistics across Western Odisha/Jharkhand.
- Brand & channel: deepen dealer relationships; emphasize reliability + test certificates; push Fe550/600 SKUs.

Cost & risk

- Secure iron ore/pellet and coal linkages; hedge via mix of local sourcing and opportunistic imports when spreads favor (monitor landed ore/pellet prices).
- Invest in energy efficiency/emissions controls to stay ahead of tightening norms and toqualify for premium projects.

Growth themes

- Align with infra & housing corridors; explore value-added rebars (CRS/quake-resistant claims with credible certification) and cut-and-bend services for project clients.

Quick facts & figures (for slides/report)

- India FY25 (prov.): Crude steel ≈ 138–151 Mt; capacity ≈ 198.5 Mt.
- Finished steel production ~146.6 Mt, sponge iron ~55.7 Mt, 84% coal-based (Apr’24–Mar’25).
- Majors’ crude steel share ~57%; others ~43%.
- SGML: DRI capacity ~150,000 TPA; Shanti UltraMax TMT brand in Odisha.

Sources

Government/official & industry bodies:

- Joint Plant Committee (JPC) Trend Report, Apr 2025 (production, shares).
- Ministry of Steel – Overview of Steel Sector (Mar–May 2025); PLI, capacity.
- IBEF – Steel Industry in India (status, growth outlook).
- Reuters (Apr 24, 2025) – capacity path to 300 Mt; import measures.
- Reuters (Jul 17, 2025) – iron-ore import dynamics 2025-26.

Company/cluster references:

- SGML website – sponge iron capacity, TMT branding.
- SIMA members – breadth of DRI producers.
- District/State profiles – lists of sponge-iron units in Sundargarh/Kuarmunda.

CHAPTER-3

Introduction to Competitor Analysis

Competitor analysis is the process of comparing how other companies in the same industry follow statutory compliances under the Factories Act. For Shree Ganesh Metaliks Ltd. (SGML), competitors are other steel and metal manufacturing companies in Odisha and India. Studying their compliance practices helps SGML identify:

- Best practices in health, safety, and welfare.
- Gaps in its own compliance system.
- Areas where it can improve to gain a competitive advantage in worker welfare and reputation.

Key Competitors in the Region/Industry

1. Tata Steel (Kalinganagar, Odisha)
- Known for strict compliance and safety culture.
- Advanced safety training, digital monitoring of compliance.
- Strong welfare facilities (canteens, medical units, housing).
2. Jindal Steel & Power Ltd. (JSPL – Angul, Odisha)
- Focus on modern automation for safety.
- Regular compliance audits and safety certifications.
- Strong emphasis on CSR and worker welfare.
3. Bhushan Steel (now Tata Steel BSL, Odisha)
- Has faced compliance issues in past years.
- Improved after acquisition by Tata Steel, with stricter statutory compliance.
4. Local Medium-Scale Steel Companies (e.g., Rungta Mines, Odisha Sponge Iron Ltd.)
- Compliance levels vary.
- Some smaller firms struggle with complete compliance due to cost constraints.

Insights from Competitor Analysis

- SGML is compliant, but larger players like Tata Steel and JSPL go beyond minimum compliance by investing in automation, training, and advanced welfare schemes.
- Competitors use digital systems (biometric, AI monitoring) to ensure stricter compliance, while SGML relies on manual checks.
- In welfare, competitors provide housing and long-term benefits, while SGML provides basic facilities.
- SGML can gain a competitive edge by:
- Introducing digital compliance tracking.
- Improving medical & welfare facilities.
- Conducting regular training & audits like industry leaders.

CHAPTER-4

Customer Analysis

In the context of Shree Ganesh Metaliks Limited (SGML), customers include:

- Internal Customers: Workers, staff, and employees inside the company.
- External Customers: Buyers of steel products, distributors, contractors, and end-users.

Statutory compliance under the Factories Act influences both types of customers directly and indirectly.

1. Internal Customers (Employees/Workers)

Workers are considered internal customers, as their satisfaction impacts company performance.

- Health & Safety Compliance ensures safe working conditions (clean drinking water, sanitation, protective equipment).
- Welfare Measures like canteens, rest areas, and first aid increase job satisfaction.
- Fair Working Hours & Leave create trust and reduce employee turnover.
- Impact: Motivated and satisfied workers lead to better productivity and higher product quality.

Example: If workers receive proper safety gear (helmets, gloves), they are less prone to accidents, ensuring continuous production.

2. External Customers (Buyers & Stakeholders)

Compliance with the Factories Act strengthens the company's brand image and reliability in the market.

- Customers prefer suppliers that follow ethical and legal standards.
- Strict compliance reduces production disruptions, ensuring on-time delivery.
- Builds long-term trust with distributors and corporate buyers.
- Attracts global customers who value ethical sourcing and worker-friendly practices.

Example: A corporate buyer sourcing steel may choose Shree Ganesh Metaliks Ltd. over a competitor if the company is known for zero labor violations and safe factory conditions.

3. Overall Impact of Compliance on Customers

- Better Quality Products – due to motivated and safe workers.
- Higher Customer Trust – because of ethical and legal business practices.
- Sustainable Business Growth – compliance ensures long-term market relationships.

- Reputation Advantage – customers see SGML as a responsible and reliable company.

CHAPTER-5

Actual Work Done, Analysis, and Findings

1. Actual Work Done

The systematic study on Statutory Compliance under the Factories Act, 1948 in Shree Ganesh Metaliks Limited was carried out in several steps to ensure accuracy and objectivity. The following activities were undertaken:

1. Collection of Legal Provisions
   - A detailed list of all provisions under the Factories Act, 1948 was prepared.
   - Special focus was given to sections on health, safety, welfare, working hours, and employment regulations.
2. Company Data Collection
   - Primary data was collected from HR officials, safety officers, and workers.
   - Secondary data included annual compliance reports, audit reports, and internal company policies.
3. Observation of Factory Conditions
   - Visits were conducted in production areas, worker rest zones, and safety units.
   - Facilities like drinking water points, toilets, fire extinguishers, and canteen were inspected.
4. Employee Interaction
   - Workers were interviewed informally to understand their experiences regarding safety and welfare facilities.
   - Feedback on working hours, overtime, and leave was noted.
5. Compliance Checklist Preparation
   - A checklist of statutory requirements under the Act was made.
   - Company practices were compared against this checklist.

Example: Section 11 of the Act requires cleanliness in the factory. Observations were made on ventilation, dust removal, and waste disposal.

2. Analysis

The collected information was analyzed by comparing legal requirements with actual company practices. A compliance score was prepared to understand the level of adherence.

A. Health Provisions

- Legal Requirement: Adequate ventilation, lighting, sanitation, drinking water, and waste disposal.
- Company Practice:
- Clean drinking water facilities were available at multiple points.
- Proper toilets were provided separately for male and female workers.
- Regular cleaning schedule maintained.
- Analysis: Largely compliant. Workers were satisfied with cleanliness and basic health measures.

B. Safety Provisions

- Legal Requirement: Protective equipment, fencing of machinery, fire-fighting devices, training for workers.
- Company Practice:
- Helmets, gloves, and safety shoes were given.
- Fire extinguishers and emergency exits installed.
- Safety drills conducted once every 6 months.
- Analysis: Strong compliance; however, some workers reported irregular usage of PPE due to negligence.

C. Welfare Provisions

- Legal Requirement: Canteen for more than 250 workers, first-aid boxes, rest rooms, crèches if women employed.
- Company Practice:
- A well-maintained canteen facility provided.
- First-aid boxes available in every department.
- No crèche facility observed as women workers were minimal in heavy operations.
- Analysis: Compliant with minor gaps. Provision of a crèche may be considered in future.

D. Working Hours

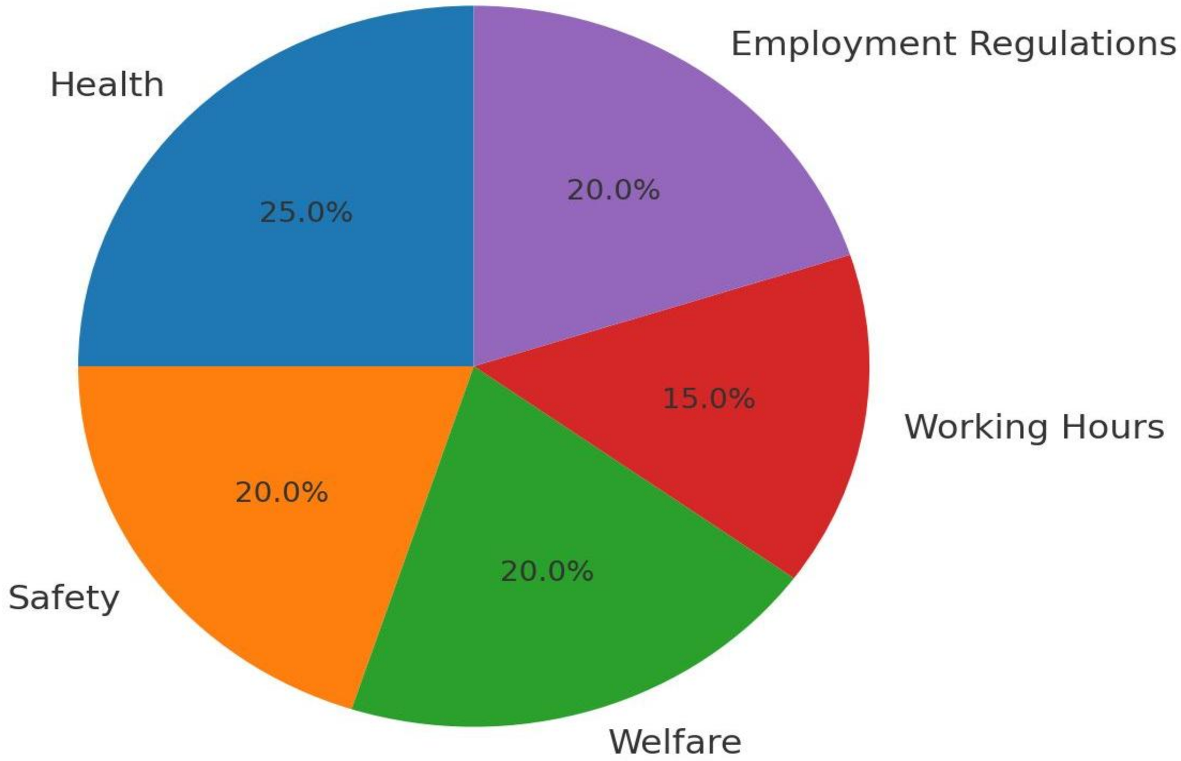
- Legal Requirement: 48 hours per week, overtime payment, one holiday per week.
- Company Practice:
- Normal shifts of 8 hours maintained.
- Overtime was paid at double the rate.
- Workers confirmed weekly off on Sunday.
- Analysis: Fully compliant. Records matched legal provisions.

E. Employment Regulations

- Legal Requirement: Prohibition of child labor, maternity benefits, equal opportunity.
- Company Practice:
- No child workers employed.
- Female workers in light jobs, maternity leaves granted as per rules.
- Analysis: Strong compliance, no violations reported.

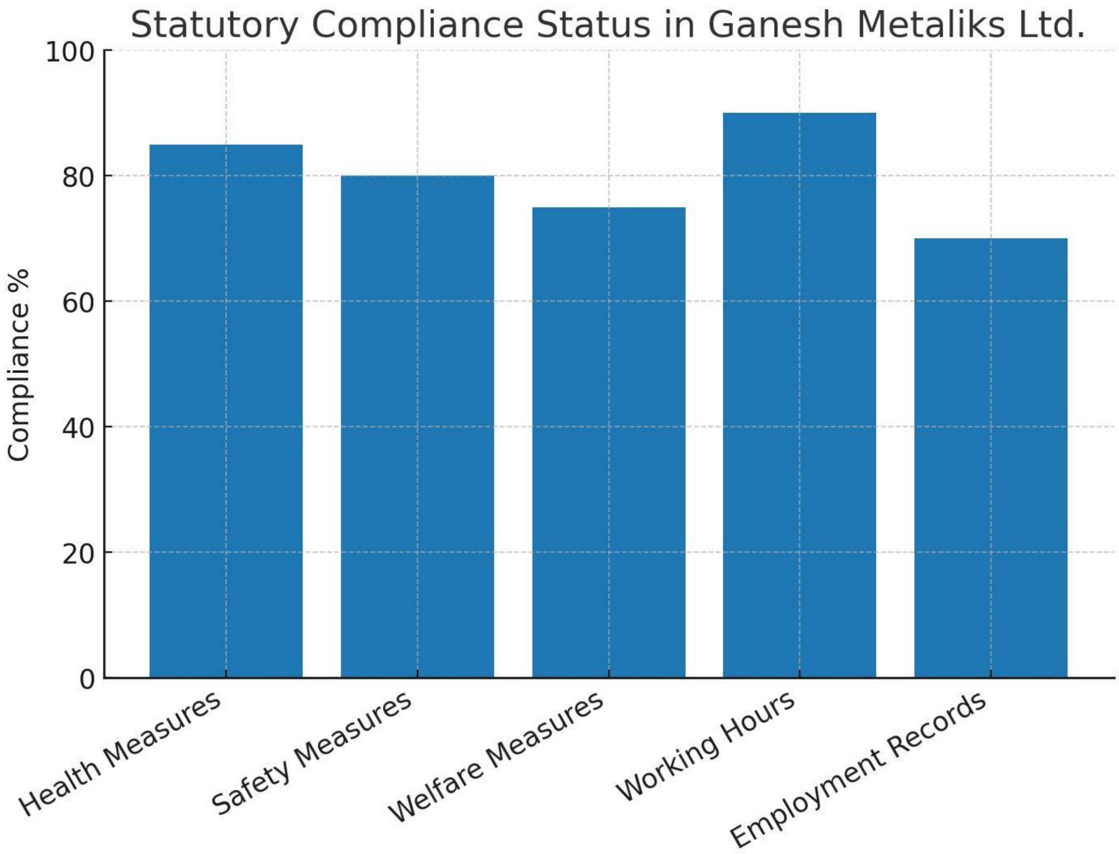
Here is the Annexure Pie Chart showing the distribution of key provisions under the Factories Act, 1948:

- Health – 25%
- Safety – 20%
- Welfare – 20%
- Working Hours – 15%
- Employment Regulations – 20%



Bar Chart - Compliance Status in Ganesh Metaliks Ltd.

Area of Compliance	Compliance %
Health Measures	85%
Safety Measures	80%
Welfare Measures	75%
Working Hours Regulation	90%
Employment Records	70%



3. Findings

The major findings of the study can be summarized as follows:

1. High Level of Compliance
   Shree Ganesh Metaliks Ltd. shows strong adherence to health, safety, welfare, and working hours regulations.
2. Worker Awareness
   Workers were generally aware of their rights under the Factories Act, showing good communication between management and staff.
3. Safety Culture
   Safety drills, PPE distribution, and machine guarding are well-implemented, reducing accident risks.
4. Minor Gaps in Welfare

- No crèche facility for women workers.
- Some workers admitted to not wearing PPE consistently.

5. Good HR Practices

- Proper records of working hours and overtime maintained.
- Maternity benefits and leave policies followed.

6. Positive Industrial Relations
   Strong compliance has helped maintain worker satisfaction, reducing disputes and absenteeism.METHODS OF TRAINING

CHAPTER-6

Conclusions

From the systematic study of Statutory Compliance under the Factories Act, 1948 at Shree Ganesh Metaliks Limited, the following conclusions can be drawn:

1. Overall Compliance
- The company has a strong commitment to following statutory provisions.
- Health, safety, and welfare facilities are largely in line with the Factories Act.
2. Health Provisions
- Clean drinking water, sanitation, and ventilation are well-maintained.
- Medical check-ups and hygienic conditions are regularly monitored.
3. Safety Provisions
- Safety measures like helmets, gloves, machine guards, and fire extinguishers are provided.
- Regular safety drills are conducted, reducing the chances of accidents.
4. Welfare Facilities
- The company maintains canteens, first-aid boxes, and restrooms.
- Workers expressed satisfaction with welfare provisions but expect more recreational facilities.
5. Working Hours & Leave
- The 48-hour weekly limit and overtime wages are generally followed.
- Attendance and leave records are properly maintained.
6. Employment Regulations
- No evidence of child labor was found.
- Women employees are provided with maternity benefits and safe working conditions.
7. Challenges Noticed
- Some workers feel safety audits are not as frequent as they should be.
- Minor gaps in communication between management and workers were observed.
- Awareness among workers about all their rights under the Act is still limited.

Final Note: Statutory compliance in Shree Ganesh Metaliks Ltd. is at a satisfactory level, but there is still scope for continuous improvement.

Suggestions

To further strengthen statutory compliance and worker welfare, the following suggestions are made:

1. Strengthen Health Facilities
- Conduct regular health camps for workers and their families.
- Introduce awareness programs on hygiene, nutrition, and mental health.

2. Enhance Safety Provisions
- Increase the frequency of safety audits and mock drills.
- Provide advanced PPE (like face shields, ear protection) for high-risk areas.
- Install more CCTV cameras and fire alarms for early risk detection.

3. Improve Welfare Facilities
- Upgrade canteens with nutritious food and hygienic kitchens.
- Provide recreational spaces (indoor games, reading areas) to reduce stress.
- Expand transport and housing facilities for employees staying far away.

4. Working Hours & Leave
- Ensure strict monitoring of overtime hours so workers are not overburdened.
- Introduce a flexible leave policy during emergencies.

5. Awareness & Training
- Conduct regular training sessions on the Factories Act provisions for workers.
- Provide a handbook in local language about worker rights and safety rules.

6. Communication & Grievance Handling
- Strengthen grievance redressal committees so workers can raise issues freely.
- Create suggestion boxes or digital feedback systems for employees.

7. Continuous Monitoring
- Set up an internal compliance team to review statutory requirements quarterly.
- Partner with external agencies for compliance audits to ensure transparency.

Conclusion in One Line

By adopting these suggestions, Shree Ganesh Metaliks Limited can not only maintain legal compliance but also create a safe, motivated, and productive workforce, ensuring long-term industrial growth and reputation.

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ANNEXURE

Annexure – I

Company Profile: Shree Ganesh Metaliks Limited

- Industry: Steel & Ferro Alloys Manufacturing
- Headquarters: Odisha, India
- Major Products: Sponge Iron, Ferro Alloys, MS Billets
- Workforce: Skilled and unskilled laborers, technical staff, and managerial employees
- Relevance: As a heavy industry, statutory compliance under the Factories Act is vital to ensure safe and efficient operations.The lecture is one of the oldest forms of training second to demonstrate. In the early days, knowledge was transferred through demonstrations.

Annexure – II:

Worker Questionnaire (Sample)

1. Do you get safe drinking water at your workplace?
2. Are sanitation facilities clean and adequate?
3. Have you received safety training from the company?
4. Do you use protective equipment (helmets, gloves, shoes)?
5. Are working hours within the legal limits?
6. Is overtime paid fairly?
7. Are welfare facilities (canteen, first aid) sufficient?
8. Do you feel safe while working in the factory?

Annexure – III:

Provisions	**Legal Requirement**	**Status in Shree Ganesh Metaliks Ltd.**	**Remarks**
Cleanliness & Hygiene	Factory to be kept clean, whitewashed annually	✓ Complied	Regular audits done
Drinking Water	Safe drinking water facility	✓ Complied	Wate filters installed
Ventilation & Lighting	Proper ventilation and lighting	✓ Complied	Sufficient natural & artificial lighting
Sanitation Facilities	Adequate toilets & urinals, separately for men & women	✓ Complied	Maintained & cleaned regularly
Safety Measures	PPE, machine guards, fire safety equipment	✓ Complied	Fire drills conducted
First Aid Facilities	1 first-aid box per 150 workers	✓ Complied	Certified first aiders present
Canteen	Mandatory if >250 workers	✓ Complied	Canteen facility available
Working Hours	Max 48 hrs/week, rest intervals	✓ Complied	Monitored via attendance system

Employment of Women	Restricted in hazardous areas	✓ Complied	Assigned to safe sections
Child Labour	Prohibited	✓ Complied	No child labor employed

Thank You