

A STUDY ON EFFICIENCY OF FACTORIES ACT 1948, IN SELECTED MANUFACTURING COMPANIES IN COIMBATORE

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ABSTRACT:

The Factories Act, 1948, is a key regulatory framework in India aimed at ensuring worker safety, health, and welfare within industrial environments. This article investigates the extent of compliance with the Act among selected manufacturing companies in Coimbatore, a major industrial hub. Employing a mixed-methods approach, the study aims to identify compliance levels, challenges faced by businesses, and the Act's impact on worker productivity and job satisfaction. The findings suggest that while larger companies tend to comply more effectively, smaller enterprises face significant barriers. Recommendations for improving compliance and worker well-being are also presented.

Keywords — Factories Act 1948, Compliance, Manufacturing companies, Worker safety, Productivity, Job satisfaction

I. INTRODUCTION

The Factories Act, 1948, stands as a cornerstone of labour welfare legislation in India, aimed at mitigating health and safety risks faced by factory workers. Despite decades of implementation, the degree of compliance with the Act remains variable, particularly across different sizes of manufacturing industries. Coimbatore, known as the "Manchester of South India," hosts various industries but struggles with the effective enforcement of the Act. This study seeks to evaluate the compliance level among selected firms, shedding light on both the successes and challenges inherent in upholding the Act's provisions.

II. PAGE LAYOUT

An easy way to comply with the conference paper formatting requirements is to use this document as a template and simply type your text into it.

A. Page Layout Your paper must use a page size corresponding to A4 which is 210mm (8.27") wide and 297mm (11.69") long. The margins must be set as follows:

Top = 19mm (0.75")

Bottom = 43mm (1.69")

Left = Right = 14.32mm (0.56")

Your paper must be in two-column format with a space of 4.22mm (0.17") between columns.

III. PAGE STYLE

All paragraphs must be indented. All text must be justified, i.e., both left- and right-aligned.

A. Text Font of Entire Document Use Times New Roman or Times font, size 10 pt. Avoid Type 3 fonts.

B. Title and Author Details

Title: 24 pt, Bold, Centered

Author Name: 11 pt

Affiliation: 10 pt Italic

Email: 9 pt Courier

C. Section Headings

Level 1: Roman numeral, small caps, centered

Level 2: Alphabet, italic, left-aligned

Level 3: Arabic number, italic, indented inline

IV. SCOPE OF STUDY:

This study focuses on evaluating the effectiveness and efficiency of the Factories Act, 1948, in ensuring compliance with labor laws in selected 3 manufacturing companies in Coimbatore. It examines how well the Act's provisions related to health, safety, working hours, and welfare measures are implemented in these factories. The study aims to identify the extent of compliance, the challenges faced by industries in adhering to the law, and the impact of these regulations on workers' welfare and overall industrial productivity.

The research covers to selected 3 manufacturing companies in Coimbatore to provide a comprehensive understanding of compliance levels across different sectors. Data will be collected through Surveys/Questionnaires involving factory managers, employees, and regulatory authorities. The study also explores the role of government agencies in monitoring compliance and the effectiveness of enforcement mechanisms in addressing violations and improving labour conditions.

The findings of this study will be valuable in assessing whether the Factories Act, 1948, is effectively serving its purpose in the modern industrial environment. Based on the results, recommendations will be made to enhance policy enforcement, legal compliance, and workplace safety measures. This research will benefit policymakers, factory owners, labour unions, and other stakeholders interested in strengthening labour regulations and promoting a safer and more efficient industrial sector.

V. STATEMENT OF PROBLEM:

Despite the passage of over seven decades since the enactment of the Factories Act, 1948, varying degrees of compliance persist across manufacturing

companies in Coimbatore. This inconsistency raises concerns about worker safety, health standards, and the overall effectiveness of the Act in improving working conditions.

VI. OBJECTIVES:

- To assess the level of compliance with the Factories Act, 1948, in selected manufacturing companies in Coimbatore.
- To identify the challenges faced by factory owners and managers in ensuring compliance.
- To examine the connection between the Act and worker welfare in factories.
- To understand workers' perceptions of the effectiveness of the Act in improving their working conditions.
- To provide recommendations for enhancing the implementation and enforcement of the Act in Coimbatore's manufacturing sector.

VII. RESEARCH METHODOLOGY: RESEARCH DESIGN

The study follows a descriptive and analytical research design to assess the efficiency of the Factories Act, 1948, in selected manufacturing companies in Coimbatore. A mixed-method approach is used, combining quantitative data from surveys and statistical analysis with qualitative insights from interviews and observations. Purposive sampling is employed to select factories, managers, compliance officers, and workers for data collection. The findings will be analyzed using statistical tools for quantitative data and thematic analysis for qualitative aspects.

SAMPLE SIZE

The total number of participants surveyed for this study is 126, including 123 workers and 3 managers from the selected factories.

SAMPLE TECHNIQUE

In the present study, a Purposive Sampling Technique will be adopted to select the manufacturing companies located in the Coimbatore

district. The companies will be chosen specifically based on the criterion that they are registered under the Factories Act, 1948 and are operational within the district. This method is appropriate as it helps to identify and select only those manufacturing companies that are legally covered under the Act, ensuring the relevance and accuracy of the study

AREA OF THE STUDY

- Selected 3 Manufacturing companies situated Coimbatore in namely, Shanthi Gears, Shanthi Social Service Opticals, Medplus.
- The area of study includes Factory management (HR managers, safety officers, compliance officers), Workers/employees.

SOURCE OF DATA

Primary Data:

This study analyzes the efficiency of the Factories Act, 1948, in selected manufacturing companies in Coimbatore using primary data. Surveys and interviews with workers and managers provide insights into compliance with safety measures and labour welfare. The research identifies gaps between legal provisions and actual implementation in factories. Findings help assess the Act's effectiveness in ensuring better working conditions.

Secondary Data:

Secondary data in this study refers to information from books, research papers, government reports, and company records related to the Factories Act, 1948. It helps understand past research, legal rules, and industry trends. This data supports primary findings and provides a broader perspective on factory compliance and worker welfare.

TOOLS FOR ANALYSIS

- Simple Percentage Analysis
- Correlation
- Weighed Mean Analysis
- ANOVA (one way)

LIMITATIONS OF THE STUDY

- There is a possibility of bias in responses, especially from workers, due to fear of repercussions or reluctance to express dissatisfaction with factory conditions.
- Access to factory inspection reports or detailed compliance records may be limited, affecting the comprehensiveness of the analysis.

IX.LITERATURE REVIEW

- **Venkatesh, G. (2023).** "This study provides a comparative analysis of Factories Act compliance in different sectors, specifically in the textile and automobile industries." It highlights variations in compliance levels based on industry type and company size. The research found that larger companies tend to have better adherence to the Act's provisions. Venkatesh concludes that sector-specific strategies are needed to improve compliance and ensure worker safety in diverse manufacturing environments.
- **Naidu, S. (2023).** "This study explores the future of labor laws in India's manufacturing sector, with a focus on evolving legal frameworks." It examines how changes in the Factories Act, 1948, might affect compliance and worker welfare. The research found that updates to the law could improve both safety standards and operational efficiency. Naidu concludes that a proactive approach to legal reform is essential for addressing modern challenges in the manufacturing industry.
- **Chandran, A. (2022).** "This study examines workplace safety and legal adherence in Indian manufacturing firms under the Factories Act, 1948." It emphasizes that increasing awareness among workers about safety regulations significantly improves compliance. The research found that workplaces with higher awareness programs experienced fewer accidents and injuries. Chandran highlights that effective legal adherence leads to improved worker morale and operational efficiency. The study concludes that continuous safety training and legal education

are essential for maintaining a safe and productive work environment.

X. ANALYSIS AND INTERPRETATION OF THE STUDY:

1. CORRELATION

WORKER WELFARE AS REPORTED BY RESPONDENTS

		Do your employees have access to clean and safe drinking water at work?	Does not factories have a clean and hygienic canteen for employee use?	Are there provisions for maternity or paternity benefits for workers?
Do your employees have access to clean and safe drinking water at work?	Pearson correlation	1	.371	.219
	Sig. (1-tailed)		.000	.007
	N	126	126	126
Does not factories have a clean and	Pearson correlation	.371	1	.305

hygienic canteen for employee use?				
	Sig. (1-tailed)	.000		.000
	N	126	126	126
Are there provisions for maternity or paternity benefits for workers?	Pearson correlation	.219	.305	.1
	Sig. (1-tailed)	.007	.000	
	N	126	126	126

SOURCE: Primary Data

INTERPRETATION:

This data shows positive correlations between three employee welfare factors in factories: clean drinking water, clean canteens, and maternity/paternity benefits. Factories with improvements in one area tend to show improvements in the others, and these relationships are statistically significant.

INFERENCE

Statistically significant positive correlations show that improvements in clean drinking water, clean canteens, and maternity/paternity benefits within factories tend to occur together, suggesting a systemic link between these employee welfare factors.

2. ANOVA (ONE WAY)

STATE YOUR LEVEL OF SATISFACTION WITH THE REWARD SYSTEM ANOVA

Factors	Source of variation	Sum of Squares	df	Mean Square	F	Sig.	S/NS
(Overall job satisfaction in current reward system)	Between Groups	1.247	1	1.247	1.177	.280	NS
	Within Groups	131.388	124	1.060			
	Total	132.635	125				
(Satisfaction level in job and work environment)	Between Groups	.643	1	.643	.786	.377	NS
	Within Groups	101.492	124	.818			
	Total	102.135	125				
(Recognition and reward provided during special occasions)	Between Groups	.676	1	.676	.689	.408	NS
	Within Groups	121.681	124	.981			
	Total	122.357	125				
(Consistency and reward distribution to an employee)	Between Groups	.491	1	.491	.388	.534	NS
	Within Groups	156.724	124	1.264			
	Total	156.724	125				

SOURCE: Primary data

INTERPRETATION:

The ANOVA results show no significant differences between groups in any of the four satisfaction measures related to the reward system (overall satisfaction, job/work environment satisfaction, recognition/reward on special occasions, and consistency of reward distribution). All p-values were greater than 0.05, meaning the grouping variable does not significantly affect employee satisfaction with the reward system.

INFERENCE

The study shows that there are no significant differences in employee satisfaction with the reward system across different groups. All p-values were above 0.05, meaning the grouping variable does not affect how satisfied employees are with rewards.

XI. FINDINGS: CORRELATION

Statistically significant positive correlations show that improvements in clean drinking water, clean canteens, and maternity/paternity benefits within factories tend to occur together, suggesting a systemic link between these employee welfare factors.

ANOVA (ONE WAY)

The study shows that there are no significant differences in employee satisfaction with the reward

system across different groups. All p-values were above 0.05, meaning the grouping variable does not affect how satisfied employees are with rewards.

XII. SUGGESTIONS:

- Enhancement of worker awareness programs regarding their rights and safety regulations under the Factories Act.
- Implementing targeted support for smaller factories such as financial assistance and compliance training.
- Strengthening the enforcement mechanisms by regulatory authorities to ensure strict adherence to safety and welfare provisions.

XII.CONCLUSION:

The study identifies that compliance with the Factories Act, 1948, significantly influences workplace safety, worker welfare, and overall industrial productivity in Coimbatore. While larger companies generally comply better, smaller enterprises face substantial barriers. To improve compliance rates across the board, it is crucial to enhance worker education and provide robust support systems for companies. Ultimately, ensuring better enforcement and understanding of the Factories Act will contribute to a safer and healthier work environment in Coimbatore's manufacturing sector.

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