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Administration (MBA)

Project Report

**A STUDY ON JOB SATISFACTION OF EMPLOYEES IN
MADRAS RUBBER FACTORY LIMITED.**



Submitted by

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DECLARATION

I Rohit Naik student of MBA first year at Goa Business School (No- 2061), here by declare that the project entitled “A STUDY ON JOB SATISFACTION OF EMPLOYEES IN MADRAS RUBBER FACTORY LIMITED” has been prepared by me to the best of my knowledge towards the partial fulfilment of the requirement for the award of Master of Business Administration Degree (MBA) during the period from May to June 2021, Under the guidance of Prof. M.S Dayanand of Goa Business School (MBA). I further declare that the work reported in this project has not been submitted before and will not be submitted henceforth by anyone else, either in part or in full.

Student Signature

Rohit R. Naik

Place: Sankhalim Goa

Date:

Signature of guide

Prof. M.S. Dayanand

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Chapter 1

INDUSTRY STRUCTURE ANALYSIS

INTRODUCTION

The Tyres industries in India came into existence with establishment of trading outlets by U.S based Fire Stone Tyres Company in 1922 and followed by Dunlop Rubber Company in 1926. The Indian Tyre industry has witnessed a cumulative annual growth rate (CAGR) of 7.7% over the last decade. Economic expansions, investments and road developments have all contributed to this.

Increase in demand for vehicles has helped the growth in the tyres industry. The tyres industry is a major consumer of the domestic rubber production. The major players in the organized sector consists of MRF, Apollo tyres, Ceat, and J K tyres Industries which account of the 63% of the organized tyres market.

PEST Analysis

The PEST analysis is useful tool for understanding market growth or decline as such the position tensile and direction for a business. Pest is an acronym for political, economical, social and technological factor which are used to access the market for the business basically it is scan of micro external environment in which the business wants to operate

Political Factor

The company is politically strong for its high standards and quality assurance in this industry. As the company was started in 1946 before the independence of the country and it is first company which has got success in rubber industry.

In 1956, MRF had become leader of market with 50% share of the tread-rubber in India with its good quality and high standards. Many multinational companies had to withdraw from treadrubber business in India because of an MRF's effective hold on the market.

In 1990, the 6th World Cup Boxing Championship was brought to Mumbai, India by MRF where

39 countries had participated. MRF Pace Foundation was setup in the year 1988. Dennis Lille is the director for that academy. Many pace bowlers trained at that foundation were selected to Indian cricket team.

The company has legally approved certifications and it maintains all the national standards. Company is successful in satisfying every one especially to the customers and rules and regulations of Indian Government.

Economic Factor

Without resolving tax issues, the import duty on natural rubber is more as 20% and 10% as less as on finished tyres is unaddressed because of the issue of tax structure.

Due to the increasing cost of raw materials tyre manufacturing companies profit is changing. As the materials based on natural rubber, crude and steel are historically volatility in prices. Domestic natural rubber has increased to 40%.

The fact is known that 70% production of price is combines with the manufacturers As there is a huge demand for tyres of T&B category MRF has build up exporting business with neighboring countries like Sri Lanka and China.

Globally this T&B tyre segment has more demand for radial tyres. MRF is developing radicalization globally to protect share in international market, and also make complete grip in Indian market. MRF has set up a factory at Puducherry for radial tyres.

Social Factor

Presently, small families are demanding for 2/4 wheelers for individuals. The sale of tyres has gained more in past decade. From upper class families with more than 1 car per family observed to be increasing demand of tyres exponentially, mainly in cities where working couple find difficult to maintain them without more than 1 car.

As we know that Indian middle class families are known for its savings frenzy has now been slowly warming up to an idea of EMI and buying on credit. Due to this factor, there is an enormous demand in passenger cars. MRF had gained high profits in providing customer needs in passenger car category.

Technological Factors

The Indian tyre market has attracted global manufacturers on account of encouraging growth figures. These manufactures are expected to invest huge amounts into the industry over the next few years with a major proportion of this investment directed towards the Truck & Bus (T&B) radial tyre capacity expansion.

As per the study, several “Greenfield” plants are in pipeline to include new capacities. The implementation of brown-field projects is executed to cater to the growing demand. Greenfield units are expected to go on stream in the coming years, just by the time when there will be an urgent need to bridge an increasing demand-supply gap in T&B radial tyre segment.

COMPANY ANALYSIS

COMPANY PROFILE

Madras Rubber Factory was started by KM Mathew as a toy balloon manufacturing unit in 1946 at Tiruvottiyur, Madras. In 1952 the company ventured into the manufacture of tread rubber.

Madras Rubber Factory Limited was incorporated as a private company in November 1960 and ventured into manufacture of tyres in partnership with Mansfield Tire and Rubber Company based in Ohio, United States.

The company went public on 1 April 1961 and an office was established in Beirut, Lebanon to develop the export market in 1964 and its current logo of the muscleman was born. In 1967 it became the first Indian company to export tyre in USA.

In 1973 MRF started manufacturing Nylon tyres for the first time. The company entered into a technical know-how collaboration with B.F. Goodrich in 1978. The Mansfield Tire and Rubber Co sold out its share in 1979 and the name of the company was changed to MRF Ltd in the year.

The company finalized a technical collaboration agreement with Marangoni TRS SPA Italy for the manufacture of pre-cured tread rubber for retreading industry.

MRF tyres supplied tyres to Maruti 800 India's first modern small car. In 1989 the world largest toy maker and launched Funskool India. During the year 2004-05 the product range of the company expanded with Go-kart and rally tyres and tyres for two/three wheelers.

Madras Rubber Factory popularly known as MRF. And it is a major Tyres manufacturing company located in Chennai, Tamil Nadu and India's largest tyres manufacturing company.

The company was established in the year 1946, the company name is an acronym for Madras Rubber Factory. MRF Ltd was started by a young pioneer called K.M. MAMMEN MAPILLAI as small toy balloon manufacturing unit in a small shed at Thiruvottiyur in Chennai. Since then over this long golden 60 yrs it has emerged as the largest tyres manufacturer in India. It is also the world 13th largest tyres manufacturing company.

It is one of the largest rubber companies both worldwide and in Indian private sector. MRF holds more than 20% of the market share. It is the only tyres company to start the continent with giant manufacturing facilities at Chennai, Arakonam, Kottayam, Goa, Medak, and Pondicherry.

The company went to all vehicle segment from commercial vehicle and passenger cars to 2-3 and tractors and has a strong presence in both radial and cross ply segments. It is also involved in arrange of other activities via subsidiaries. Funscool India a joint venture between Hasbro and MRF LTD is a major toy manufacturing company in the country. MRF pretreads offers would class procured tyre retreading service, and MRF muscleflex is involved in making conveyor belts.

It has a distribution network of more than 2500 outlets in the country overseas offices in United Arab Emirates, Bangladesh and Vietnam and export tires in over 75 countries globally, MRF LTD enjoys of manufacturing the largest range of tires in India and it has the highest brand preference for superior quality, appearance and wear ability.

It manufactures the largest range of tyres in the country and is the market leader with the largest market share in almost every segment of the tyre industry MRF LTD is the first Indian company to export tyres to the U.S fist company in India to manufacture and market Nylon tires and passenger tyre technology. It is also the first company in India to manufacture and market Nylon tyres and passenger tyres commercially. In 2007 the company turnover crossed INR 50 billion mark. MRF tries are made to run at speeds exceeding 150kmph at which they are exposed to extreme conditions of speed and traction. The molecular stability of the rubber compounds is tested against severe gravitational stress.

MRF tyre experts and rubber technologists are present at every stage to observe analyze and gather information at the pits and the dirt track which they pass on to the R&D department. This is then reviewed and used to safer and better quality tires, not only for the formula cars and racing bikes, but also for cars that rough it out on the tough Indian roads every day.

PRODUCT

The major products include MRF nylon grip for bikes, MRF ZVT, and MRF wanderers for car and SUV, MRF meteor all terrain tires, MRF steel muscle for truck and buses.

Conveyor belting – It manufactures its Musclex brand of conveyor belting at one of the most advance stat-of-the-art facilities in India. Incorporating the latest manufacturing techniques in processes beginning with mixing, calendaring and the like to manufacturing of the finished product all of which is in house, musclex conveyor belting has gained rapid acceptance in markets World Wide.

Paints – Manufacture polyurethane paint formulation and costs used in automotive, decorative and industrial application.

Cricket – MRF manufactures cricket bats, gloves, pads, and other accessories.



SWOT Analysis of MRF Tyres.

Strength

- Reaching Rs 5,000 crores milestone: MRF became India's first company to reach a point where the company's turnover exceeded Rs 5,000 crores, being listed as the number one firm in the tyre industry.
- Building a strong network: MRF has a very large and established distribution network.
- A significant number of production units: MRF has a total number of 6 manufacturing units, which are located in southern India.
- Having a strong export market: MRF has a large and very successful position when it comes to exporting goods, which is done roughly across 65 countries.
- Having a broad portfolio: There is a full range available with MRF when it comes to the manufacture and use of various tyres, designed for different vehicles.
- Brand value: MRF is not only a very high value for the company but also has consumers' confidence and faith.
- Variety of tyres: MRF has also taken various steps to match the tyres, which can withstand different terrain conditions
- Financial condition: MRF is in an extremely strong financial position
- The company's diversity: MRF is widely divided into three main components, Funkskool, MRF Racing and the MRF Pace Foundation
- Strong advertising reaching out: a company that advertises itself as a tyre-making company in India that is environmentally friendly in nature.

weakness

A company counter flaws for the downsides and the challenges a company faces along the way.

Below are some of the shortcomings that MRF possesses, given their rather strong strengths.

- Lack of volatility: MRF still lacks a lot of volatility, for example when it comes to considering industry-based relationships, the unrest of MRF 's labor.

- Being in a very strong competition: MRF has a lot of market competition, which is very intense and affects MRF's good performance somewhere, particularly after the arrival of some of the world-renowned global tyre brands
- These listed above were the shortcomings MRF possesses, despite having such strong strengths.

Opportunities

Opportunities are the places where the company will have scope for improvement that will work further in the future for their image.

- Going through a rapid growth: with the growth in the automotive industry, markets are growing at a fast pace.
- Maintain good relationships: have a relatively good amount of ties with some businesses and maintain a good B2B market.
- Having a lot of diversity: possessing a vertical and horizontal form diversification.
- Growing Car Market and Demand of the car tyres can be a great opportunity for the company.
- Company can tie-up with car manufacturers to promote and use tyres of MRF.

Threats

Threats are something that can damage the credibility or market value of the company. Unfortunately there are some risks concerning MRF even after being one of the best in tyre companies. Those risks include:

- Strike: The company has been largely traumatized by an internal strike at MRF along with the entire automotive industry in Chennai. This severely disrupted manufacturing and production in Chennai is nearly dead.
- Raw Materials prices are constantly increasing: the prices of important raw materials for the manufacture of products such as natural rubber and crude oil are constantly rising, both nationally and globally. This can build a lot of trouble having rubber supply in the next two years as ANRPC has said.

- Cheaper product availability: Cheaper goods are available on the market imported from China as compared with MRF. While MRF has no quality at all, it has been observed that it has made 5 percent of business in the industry as a whole.
- Competition: Competition from leading tyre companies and from local market companies can be a major threat.
- Costs: The rising technology and raw material costs will also pose a potential threat.
- Changing Government laws for Rubber and Tyre companies is a major threat.
- New Entrants can be a major threat.
- Discount and attractive offers

PESTLE ANALYSIS

Political Factors:

The political factors in the MRF PESTLE Analysis can be explained as follows:

MRF is multinational tyre manufacture company. It mainly exports the tyres globally. It has to maintain stable connections with the host country to do business. It also has its manufacturing plants across the India. To establish the plant and maintain the plant needs lot of political support. The company should maintain cordial relationships with both national and state political parties. The government will change frequently and the industrial policies changes according to the wishes of the political parties. The company should also observe keenly on the trade policies of the India with the nations where the company operates. It also should observe the industrial policies, trade policies of the host country.

Economic factors:

Below are the economic factors in the PESTLE Analysis of MRF:

Many financial factors impact the tyre industry.

Due to pandemic, there is impact on the exports of the products between the countries. It also impacts on the cashflows of the company. The income of the people also decreased and the family expenditure on the automobiles has decreased which impacts on the tyre industry. But the later half has seen a increase in economy. The people started to improve their economy and spend the disposable income to buy automobiles. The foreign exchange returns also impact on the profits of

the company. Due to pandemic, the fixed costs also increased. Now the company has to implement the policies to reduce costs and boost the production also.

Social factors:

Following are the social factors impacting MRF PESTLE Analysis:

From the past few years, the percentage of vehicles on the roads has been increased rigorously. The change in demographics and increase in disposable incomes are the reason for the increase in the purchase of the automobiles which indeed increase the purchase of tyres. The millennials and baby boomers are interested to buy sports vehicles. MRF should manufacture according to the needs of the consumers. The consumers also very keen on the safety factor, the tyres also play a key role in avoiding accidents. The company should more concern on the research and development which improves the efficiency of the tyres and reduces the accidents and improve the automobile speed. The company also focus on the trends of the consumers towards the speed.

Technological factors:

The technological factors in the PESTLE Analysis of MRF are mentioned below:

MRF is the largest manufacturer in the tyre industry of the India. To maintain this, it adopts various new technologies to reduce cost and to improve the process. It also should keenly observe on the new end technologies like robotics, IOT, ML to produce tyres with efficiently and effectively. The company should also focus on the research and development to design next gen tyres which improves the efficiency and also safe to avoid accidents occurring with poor friction. The company also focusses on the tyre designing process and imply new industrial revolution methods.

The company should also adopt the flexible technologies in the global supply chains and improve its logistics.

Legal factors

Following are the legal factors in the MRF PESTLE Analysis:

MRF has its manufacture plants in many states. The laws to establish a plant is different from one state to another state. The company should also ensure to follow the rules and regulations to manufacture the products. The company should follow all the safe measures for the safety of the employees. The company should also follow the environmental laws in using the rubber. The company should also ensure it follow the all the requires laws in trade with other countries. It also

should ensure to protect its design process and shouldn't include in any patent issues with other manufacturers.

Environmental Factors:

In the MRF PESTLE Analysis, the environmental elements affecting its business are as below:

MRF is a manufacturer company which use most of the non-renewable sources. It increases the carbon foot print which impacts on the climate change. The company also have taken some key steps to reduce the carbon foot print.

The company also ensure to the global diversity where it get rubber resources from the plantations. It has to take many permissions and should ensure not to cut the plantations and also should aid for environmental protection. The company should also take risk management steps for the smooth operations and supply chain of the resources.

Porters five forces

Rivalry of MRF:

The competitive rivalry is the force helps to define the competition between the existing players in the same industry and show its effects.

Indian tyre industry like MRF has the higher rivalry today due to the increase in tyre companies like APOLLO, CEAT, JK TYRES, etc. And as well as the same time the participation of foreign players has expanding their standards in Indian tyre industry. MRF has the greater rivalry by accounting more than 80% of market share by competing with the top 8 companies. And nowadays every company is intending to keep the automated technologies by implementing the new technology like electronic resource planning (ERP) and supply chain management (SCM).

Apart from the reason given above the firms has the higher rivalry by the rise of input cost, is due to the competitive pressure at present. And taking in to the consideration of OEM (i.e.) Original Equipment Management, due to the low OEM the manufacture of vehicle are not ready to take the troubles of tyre firms and the replacement process is taking away continuously by the retreading sector which is slow by slow rising his head. Apart from the branded competitors the unrecognized

sector has been the head ache to the MRF Company. The point to be considered is MRF and the existing players in same industry have the similar strategies, and obviously manufacture the same products so MRF duty to show the same product in different way with some innovative ideas, So MRF has to keep his way towards the innovating side like radials, tubeless tyres.

Bargaining power of supplier:

Suppliers role is major and important in production of goods and services for the final product. The competition between the suppliers is high and its effect the intensity of bargaining power of suppliers.

Bargaining power of suppliers can be divided into different parts with demand to the industry like rubber and other petrochemical based material e.g. Carbon black and nylon cord etc. The MRF has the low level of supplier and as well as the availability of materials is very low and its leads to the higher price. MRF has the high level of switching cost and the threat of forward integration is also is very high. The 50 percentage of the tyre industry consumes nearly rubber has been produced in our country. Rubber control board has the right to control the price of the natural rubber. Supplier power is high in the case of petro raw materials and the chemicals are shorting and limping back in India so that generates the cost of price. JMK international is one of the raw material suppliers of allied rubber products and as well as distributors to India and other foreign countries. JMK international is the preferred suppliers to MRF manufacture of tyres and tubes.

Bargaining power of buyer:

The bargaining power of buyer to MRF is very high due to the higher bargaining power of OEM and the brand choice is widely spread in the replacement market. The buyers of MRF is fully concentrated on the market share, MRF has significant increase in market share. To buyers perspective MRF is one of the standardized product, and MRF brand name is widely spread in all over the world.

OEM- Original Equipment Manufacturer :

The OEM is very high and it leads to the strong position in MRF and as well as strong for the bargaining of buyers concerned. The secret at the back is many of the tyre manufacturers are

relative and having the contract like keeping tyre price remains stable and for this market price of OEM is irrespective. MRF giving the certain benefits as they are goods has been buying in bulk and its giving him the good relation and as the tyre firm they said the brand association.

Replacement:

The thing which is in replacement segment is quite different as the reversed segment of replacement power of bargaining is used and that is moderated that the buyers are . The company MRF has the standardized product. The bargaining power of MRF is very high because they are the huge suppliers and manufacturers of tyres, tubes and conveyor belts. MRF has also introduced the material recovery facility. MRF enforced to manufactured more amounts of tyres, tubes, and conveyor belts and place their brand name and logo in the product. MRF and its competitor like CEAT, APOLLO, Bridgestone etc are implementing their terms and conditions to the buyers.

Threat of substitutes:

The threat of substitutes is nothing but the competition among the same product among the different companies. The threat of substitutes in MRF concern it is very low but it is in increasing side. For MRF in market lots of substitutes in that how the MRF is differentiated from other product like improving his standards by introducing the new products. Like other substitutes MRF doesn't have any threat because has his own brand name and keeping his loyalty to the customer. MRF has the good customer relationship and MRF has the low switching to the customer. The other threat of substitutes is alternative product with low price and with better performance means MRF has to face some problem with the buyer. And at the same time lots of radials are been importing from china and it is one of the major threat to the MRF. MRF has also facing the threats like the retreading sector and other non-branded product. And as of this major threat concern MRF has to keep his low production cost. Because of the substitutes product MRF can ready to follow the current trends.

The other threat of substitutes is quality in that MRF is manufacturing the better quality product comparing to other substitutes. By comparing of other substitute product buyers is willing to purchase the MRF product.

Threat of new entrants:

The threat of new entering company can create the competition to MRF. Customer switching cost is important to the new entrants. The main term of demand, the company like MRF is depended on the types of product and market. The types of the products are the types of tyres what they produce comparatively with other companies and the market. On the basis of these two types mainly the competitors of MRF tyres are JK tyres, Apollo tyres and CEAT tyres. The main threat for new entrants is entry barriers, the entry barriers is very high in the tyre industry. And as well the main four threats in new entrants of tyre industry is, **Capital intensive:**

Before entering into the tyre industry the company should have more amount of capital because the capital intensive is very high in the tyre industry. For example the annual capacity of 1.5 million of cross-ply tyres should be the plant size and the cost of tyres between four thousand million to five thousand million. Similarly the production of radial tyres cost is eight thousand million. MRF has no problem with threat of the new entrants of the company because MRF has the brand name as the newly entered company take some time and it will create the competition. Tax usage is also high in the tyre industry. Tyre industry is mainly an capital intensive and also it is highly raw material intensive.

Distribution network:

Distribution network is one of the important networks in all industry. In India MRF have more than 2,500 outlets of distribution network. MRF have offices in many countries like U.A.E, Vietnam and Bangladesh. And exporting his product over seventy five countries in world wide. Distribution network is one of the major threats for new entrants.

Low operating margins:

The threat of new entrants has the low operating margin because the tyre industry is now facing the turbulent times and has the lot of challenging decades like increase in price of natural rubber because it is key part of tyre industry. For MRF rising in input prices may cut the margins.

Branding:

Branding is one of the main threats of new entrants. Like MRF and other substitute's product has the good brand name like MRF limited, CEAT tyres, JK tyres, etc. The new entrants company should have the good brand name by reaching to the customers. Branding also need the good quality, low production cost and innovation in tyre industry then only the new entrants can compete with their substitutes. Advertising is the major part in branding the product to the buyers

CHAPTER 3

Financial Analysis of MRF LTD. Common size statement of Balance sheet

in crores

YEAR	2019	2020	2021	2019%	2020%	2021%
LIABILITIES						
Total shareholders fund	10,653	12004	13178	58%	62%	59%
Share capital	4	4	4	0.02%	0.02%	0.01%
Reserves & surplus	10,649	12000	13,174	58.4%	62%	59%
Long term borrowing	1054	779	811	6%	4%	3.5%
Differed tax liability	839	427	378	5%	2%	1.5%
Other long term liability	76	578	496	0.5%	3%	2%
Total long term liabilities	2138	1974	1898	12%	10%	8.5%
Trade payables	2327	2340	4244	13%	12%	19%
Other current liabilities	2550	2440	2696	14%	12%	125
Short term provisions	149	153	199	1%	1%	1%
Total current liabilities	5436	5175	7182	30%	27%	32%
TOTAL LIABILITIES	18,227	19,154	22,259	100%	100%	100%
ASSETS						
Fixed assets	8,170	10,583	10,392	45%	55%	47%
Tangible assets	6751	8820	10,392	37%	46%	47%
Intangible assets	16	28	0	0.08%	0.14%	0%
Capital in work in progress	1403	1734	0	7.7%	9%	0%

Long term investment	9,907	11,196	12,107	54%	58%	54%
Differed tax asset	0	0	252	0%	0%	1%
Long term loans and advances	0.3	12	2	0.001%	0.06%	0.008%
Other long term assets	658	573	310	3%	3%	1.5%
Total long term assets	9,907	11,196	12,107	54%	58%	54%
Short term investments	2770	1513	4725	15%	8%	21%
Inventories	2,950	2,852	2,880	16%	15%	12%
Trade receivables	2,361	2,257	2,220	13%	11%	10%
Cash & cash equivalent	60	1,106	105	0.30%	5%	0.5%
Short term loans and advances.	0.6	2	6	0.003%	0.01%	0.02%
Other short term assets	176	224	213	1%	1%	1%
Total current assets	8320	7957	10,151	45%	41%	45%
TOTAL ASSETS	18,227	19154	22,259	100%	100%	100%

Commonsize statement of P&L AC

YEAR	2019	2020	2021	2019%	2020%	2021%
INCOME						
Revenue from operations	15,769	15,914	15,921	97%	98%	98.5%
Other income	417	330	207	3%	2%	1.5%
Total revenue	16,254	16,321	16,128	100%	100%	100%
EXPENSES						
Cost of material consumed	10,220	9,461	8,853	70%	63%	61%
Direct expenses	0	0	0	0	0	0
Changes in inventories	-608	24	359	(4%)	0.1%	2.5%
Employee benefit expenses	1144	1320	1387	8%	9%	9.5%

Finance cost	247	274	264	2%	2%	1.8%
Depreciation and Amortization expenses	806	980	1,136	5.5%	6.5%	8%
Other expenses	2,805	2,838	2410	19%	19%	17%
TOTAL EXPENSES	14,645	14,922	14,428	100%	100%	100%
Profit Before Tax	1,608	1,399	1,700			
Current Tax	330	401	451			
Differed Tax	182	-397	0			
Total Tax Expense	512	4	451			
Profit & Loss After Tax	1096	1394	1249			

Comparative statement of Balance sheet

YEAR	2019	2020	2021	Change	%	Change	%
LIABILITIES							
Total shareholders fund	10,653	12004	13178	1351	12%	1174	9%
Share capital	4	4	4				
Reserves & surplus	10,649	12000	13,174	1351	12%	1174	11%
Long term borrowing	1054	779	811	(275)	(26%)	32	4%
Differed tax liability	839	427	378	(412)	(49%)	(49)	(11%)
Other long term liability	76	578	496	502	660%	(82)	(14%)
Total long term liabilities	2138	1974	1898	(164)	(7%)	(74)	(3%)
Trade payables	2327	2340	4244	13	0.5%	1904	81%
Other current liabilities	2550	2440	2696	(110)	(4%)	256	10%
Short term provisions	149	153	199	4	2%	46	30%
Total current liabilities	5436	5175	7182	(261)	(4%)	2007	38%
TOTAL LIABILITIES	18,227	19,154	22,259	927	5%	3105	16%
ASSETS							

Fixed assets	8,170	10,583	10,392	2413	29%	(191)	(1%)
Tangible assets	6751	8820	10,392	2069	30%	1572	23%
Intangible assets	16	28	0	12	75%		
Long term investment	9,907	11,196	12,107	1289	13%	911	8%
Long term loans and advances	0.3	12	2	11.7	3900%	(10)	(83%)
Other long term assets	658	573	310	(85)	(12%)	(263)	(45%)
Total long term assets	9,907	11,196	12,107	1289	13%	911	8%
Short term investments	2770	1513	4725	(1257)	(45%)	3214	212%
Inventories	2,950	2,852	2,880	(98)	(3%)	28	1%
Trade receivables	2,361	2,257	2,220	(104)	(4%)	(37)	(1.5%)
Cash & cash equivalent	60	1,106	105	1046	1743%	(1001)	90%
Short term loans and advances.	0.6	2	6	1.4	233%	4	200%
Other short term assets	176	224	213	48	27%	(11)	(4%)
Total current assets	8320	7957	10,151	(363)	(4%)	2194	27%
TOTAL ASSETS	18,227	19154	22,259	927	5%	3105	16%

Comparative statement of P&L AC

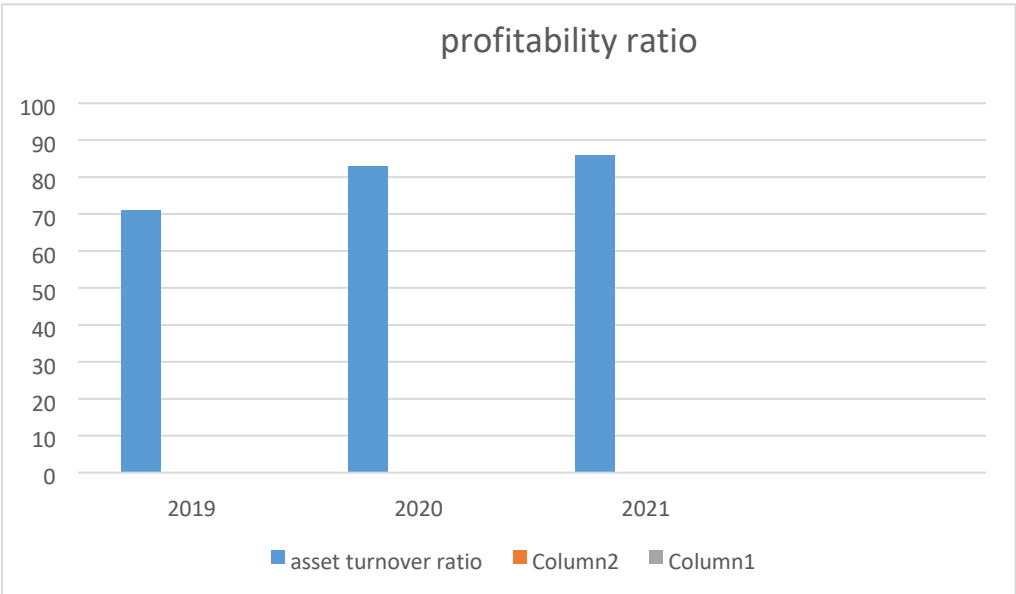
YEAR	2019	2020	2021	Change	%	Change	%
INCOME							
Revenue from operations	15,769	15,914	15,921	145	1%	7	0.04%
Other income	417	330	207	(87)	(20%)	(123)	37%
Total revenue	16,254	16,321	16,128	67	0.5%	(193)	(1%)
EXPENSES							
Cost of material consumed	10,220	9,461	8,853	(759)	(7%)	(608)	(6%)
Direct expenses	0	0	0	0	0	0	0

Employee benefit expenses	1144	1320	1387	176	15%	67	5%
Finance cost	247	274	264	27	10%	(10)	(3%)
Depreciation and Amortization expenses	806	980	1,136	174	21%	156	15%
Other expenses	2,805	2,838	2410	33	1%	(428)	(15%)
TOTAL EXPENSES	14,645	14,922	14,428	277	1.5%	(494)	(3%)
Profit Before Tax	1,608	1,399	1,700	(209)	(13%)	301	21%
Current Tax	330	401	451	71	21%	50	12%
Differed Tax	182	-397	0				
Profit & Loss After Tax	1096	1394	1249	298	27%	(145)	(13%)

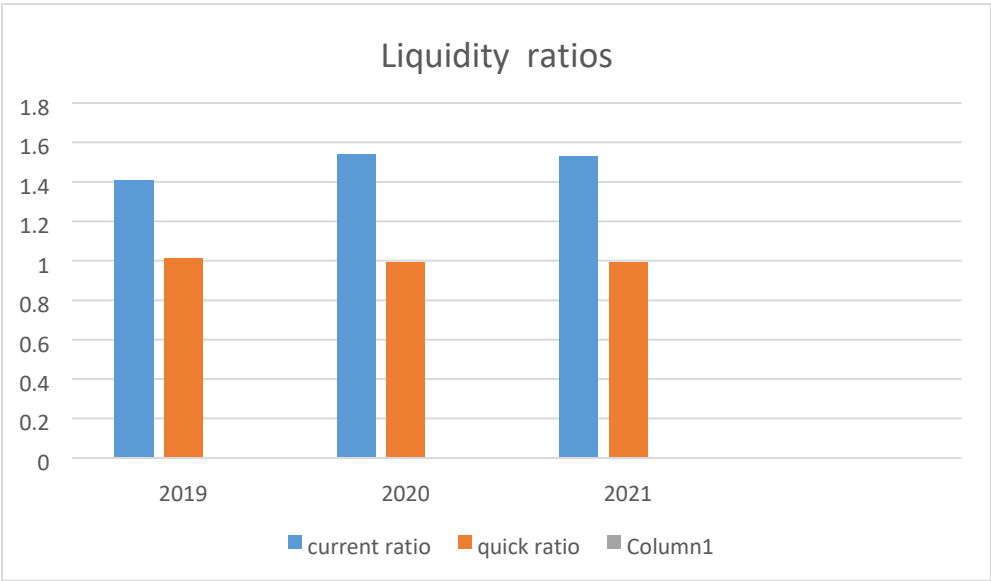
As we can see in the comparative balance sheet there has been a decreased in total shareholders fund. And as compared to 2019 to 2021 there has been a decreased in long term borrowing as company has not expanded their business in covid crisis. Differed tax liability has been decreasing so its good sign for the business in 2020-21 Trade payables has been increased to 81%. in the same year short term provisions has been increased to 30%. From the above balance sheet table the the total liabilities of the company have increased over time its because company has increased its borrowing or its operation. In 2020 fixed asset of the company has been increased it might because they have purchase land or machinery from the above balance sheet total assets of the company has been increased over time its because the company has increased its investment.

As we can see in the comparative statement of profit and loss account revenue of the company has been increasing by 1% & 0.5%. in the year 2020 employee benefit expenses has been increasing by 15% which means company is investing in its employees. In 2020 company's profit has been increased by 27% while in 2021 it has been decreasing to 15

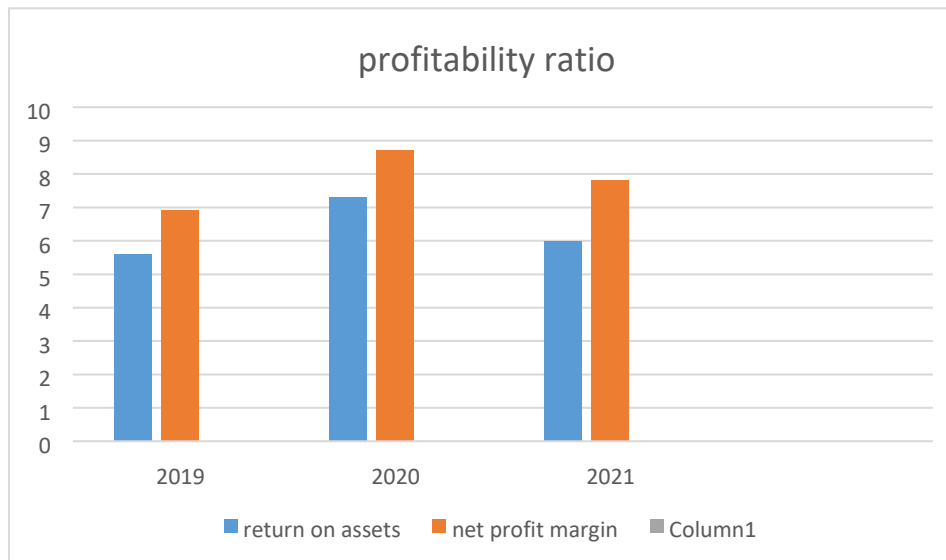
Ratio Analysis



The asset turnover ratio measures the value of a company’s sales or revenues relative to the value of its assets the higher the asset turnover ratio the more efficient accompany is at generating from its assets while company ATR has been increasing which is a good sign for the company.



From the graph we can see that their current ratio is consistently more than 1 which is good sign these means company can pay their current liabilities. While quick ratio is on an average 1 which can be considered normal.



Return on asset ratio of MRF is good as it is more than 5% net profit margin is the margin of net profit generated as a percentage of revenue generally normal NPM should be 10% while MRF have less then 10%.

CHAPTER 4

A study on job satisfaction of employees in MRF LTD.

Job satisfaction Definition

Job satisfaction is defined as the extent to which an employee feels self-motivated, content & satisfied with his/her job. Job satisfaction happens when an employee feels he or she is having job stability, career growth and a comfortable work life balance. This implies that the employee is having satisfaction at job as the work meets the expectations of the individual.

Importance of Job Satisfaction

A satisfied employee is always important for an organization as he/she aims to deliver the best of their capability. Every employee wants a strong career growth and work life balance at workplace. If an employee feels happy with their company & work, they look to give back to the company with all their efforts.

Job satisfaction factors

Job satisfaction is related to the psychology of an employee. A happy & content employee at a job is always motivated to contribute more. On the other hand, a dissatisfied employee is lethargic, makes mistakes & becomes a burden to the company. The elements & factors which contribute to job satisfaction are:

- 1. Compensation & Working conditions:** One of the biggest factors of job satisfaction are the compensation and benefits given to an employee. An employee with a good salary, incentives, bonuses, healthcare options etc is happier with their job as compared to someone who doesn't have the same. A healthy workplace environment also adds value to an employee.
- 2. Work life balance:** Every individual wants to have a good workplace which allow them time to spend with their family & friends. Job satisfaction for employees is often due a good work

life balance policy, which ensures that an employee spends quality time with their family along with doing their work. This improves the employee's quality of work life.

3. Respect & Recognition: Any individual appreciates and feels motivated if they are respected at their workplace. Also, if they are awarded for their hard work, it further motivates employees.

Hence recognition is one of the job satisfaction factors.

4. Job security: If an employee is assured that the company would retain them even if the market is turbulent, it gives them immense confidence. Job security is one of the main reasons for job satisfaction for employees.

5. Challenges: Monotonous work activities can lead to dissatisfied employees. Hence, things like job rotation, job enrichment etc can help in job satisfaction of employees as well.

6. Career Growth: Employees always keep their career growth part as a high priority in their life. Hence, if a company helps groom employees and gives them newer job roles, it enhances the job satisfaction as they know they would get a boost in their career

Job satisfaction plays an important role in the productivity of the organization.

Less the job satisfaction, less will be the productivity.

Literature review

Job satisfaction can be defined as a sense of employee achievements and successes. It is generally believed that it is directly related to productivity and work performance, as well as to personal well-being. Job satisfaction means doing the work one likes, doing it well and being rewarded for own efforts (Kaliski, 2007; Aziri, 2011). People can also have different approach to various aspects of their work, such as the type of work they are doing, colleagues, superiors or subordinates and their salary (George and Jones, 2008). Different motivation style and leadership style can work in different way on every employee, resulting in increased work performance and job satisfaction. Therefore, job satisfaction is an essential element motivating employees and encouraging them to achieve better results (Raziq and Maulabakhsh, 2015). Ostroff (1992) says that employee satisfaction is of great importance not only for employees but also for the entire organization. Because satisfied employees are usually happy and motivated to work, consequently the

organization can get amazing results from their work, from the other side, those dissatisfied employees will not be encouraged and will be disturbed by their work routine, they will run away from responsibility and even avoid work (sick leave, days off etc.) (Judge, et al., 2001). Job satisfaction is considered as one of the main factors of the effectiveness and efficiency of business organizations. In fact, the new managerial paradigm, which insists that employees should be treated primarily as someone who has their own needs and personal desires, is a very good indicator of the importance of job satisfaction in modern enterprises. Analyzing job satisfaction, it can be concluded that a satisfied employee is a happy employee and a happy employee is successful employee (Aziri, 2011). The availability of superiors at the time of need, the ability to connect employees, stimulating creative thinking and knowledge of values, openness in the eyes of employees and the ability to communicate with employees are basic features of supervision. Various researches have shown that with good and effective supervisor, the level of employee satisfaction was high, while with poorer communication skills, the level of employee dissatisfaction was high (Schroffel, 1999; Raziq and Maulabakhsh, 2015). Rötze claims that there are four determinants influencing employee satisfaction: “supervisor/leader”, “job design”, “workplace environment” and “performance pay”. According to his research the factor supervisor/leader has not a so strong impact on motivation but is crucial for job-design satisfaction and affects the level of satisfaction with performance pay very much (Brenninger, 2015). So it can be claimed that managers can influence employee satisfaction, commitment and performance through appropriate leadership style. The leadership style can be

Employee efficiency and work performance have always been an important issue for organization managers (Kelidbari et al., (2011). Employees who are very committed to their organization ensure a high level of the services' or products' quality, maintenance, productivity and generate higher profits. Employees have more than job satisfaction, are happy that they can serve and are promoters of products and brands. There is evidence that employee involvement increases work performance and overall productivity, creates a better and more productive work environment, reduces employee absence and work leaving (Bin Shmailan 2016).

Research objective

- To determine the level of satisfaction of the respondents regarding their job.

- To study the various factors which influencing job satisfaction among the employees of MRF.
- To study the employee monetary benefits like salary, bonuses, promotion policy, facilities, job security etc

METHODOLOGY OF THE RESEARCH

The research took the form of a questionnaire. It was filled in by 20 employees of the madras rubber factory. The research belongs to mrf ltd.. . It should be remembered that this is a very specific industry (heavy industry). In such enterprises, men are most often employed, women rather only in office and for organizational work. Therefore, this may be reflected in the results. Men have different approach to surveys than women. Not only that, they create different bonds, different atmosphere (employee employee and employee-supervisor) than women (here feelings, conflicts play a large role). They often have different requirements for working conditions. The survey concerned employees' job satisfaction. Employees were expected to refer to 10 statements describing employees' job satisfaction in the enterprise studied. The list of these statements was presented in Table 1. Employees were supposed to evaluate these statements on a scale of 1 to 7 where 1 means 'I completely disagree' and 5 denotes 'I totally agree', in similar way like in Parker scale used in the method

Limitations

- The study was conducted within a limited time period
- The sample size is limited to 20 from the population
- The data provided by the respondents may be false at times

Research Design

Descriptive

Research Design has been followed to conduct the research study. The success of any formal research depends on its sound research design. As the aim of this project is to identify the factors

leading to job satisfaction and the relationship between various factors and job satisfaction this project is purely descriptive in nature.

Sampling Technique

Stratified Random Sampling is used for the study. Under stratified sampling the population is divided into several sub populations that are individually more homogenous than the total population. Stratified sampling results in more reliable and detailed information.

Population

MRF has a total population of 1000. The workers in June 2021 are selected for the study. So, the population for this particular research is 100. 50% of the population (100) is selected for the study as the sample size.

Method of Data Collection

Both primary and secondary data collection have been taken for this research study.

Primary Data:

The primary data are those, which are collected afresh and for the first time, and thus happen to be original in character. The primary data is collected using a well-designed questionnaire in English language. The primary data is collected by direct interview with the workers.

The questions included were:

Open ended questions

Closed ended questions **Secondary**

Data:

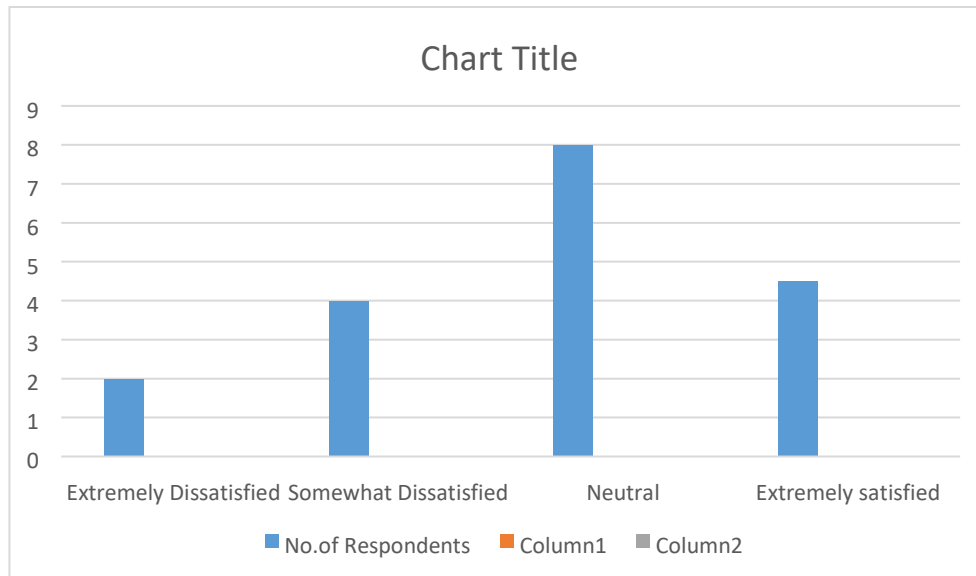
Secondary data means data that are already available. The secondary data is collected with the help of company records, company websites, internet etc.,

Data Analysis

1. Overall, how satisfied are you working for The Company?

- ☐ Extremely Dissatisfied
- ☐ Somewhat Dissatisfied
- ☐ Neutral
- ☐ Somewhat Satisfied
- ☐ Extremely Satisfied

Alternatives/choices	No.of Respondents	Percentage
Extremely Dissatisfied	2	10
Somewhat Dissatisfied	4	20
Neutral	8	40
Somewhat Satisfied	0	0
Extremely Satisfied	6	30
Total	20	100

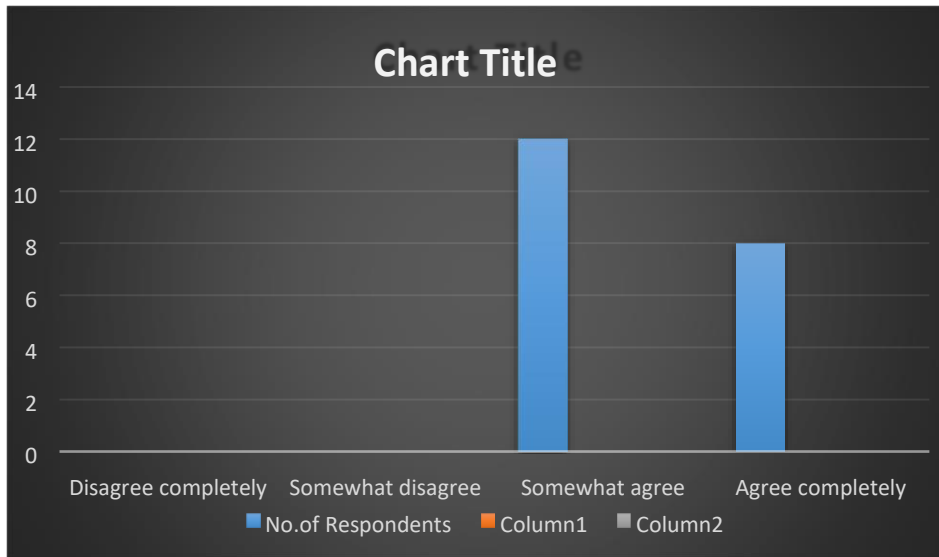


The above chart shows that out of 20 respondents most of the respondents i.e.8 are neutrally satisfied in working for the company.

2. To what extent do you agree with the following statement: I would recommend this company as a good place to work.

- ☐ Disagree Completely
- ☐ Somewhat Disagree
- ☐ Somewhat Agree
- ☐ Agree Completely

Alternatives/choices	No.of Respondents	Percentage
Disagree Completely	0	0
Somewhat Disagree	0	0
Somewhat Agree	12	60
Agree Completely	8	40
Total	20	100

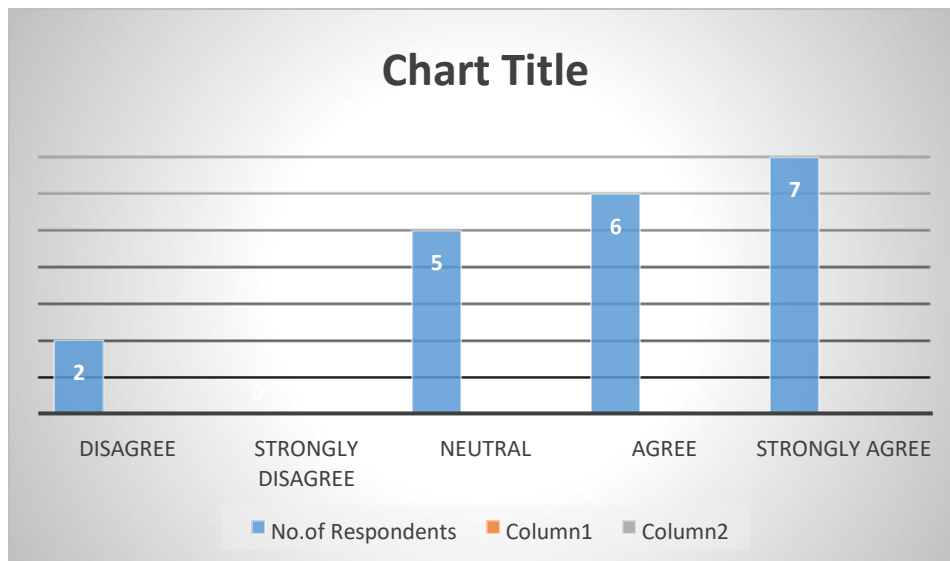


Out of 20 respondents 12 were somewhat agree that this company is a good place to work and remaining 8 were agree completely

3. Welfare facilities provided to the employees by the company are satisfactory?

- ☐ Disagree
- ☐ Strongly Disagree
- ☐ Neutral
- ☐ Agree
- ☐ Strongly Agree

Alternatives/choices	No.of Respondents	Percentage
Disagree	2	10
Strongly Disagree	0	0
Neutral	5	25
Agree	6	30
Strongly Agree	7	35
Total	20	100



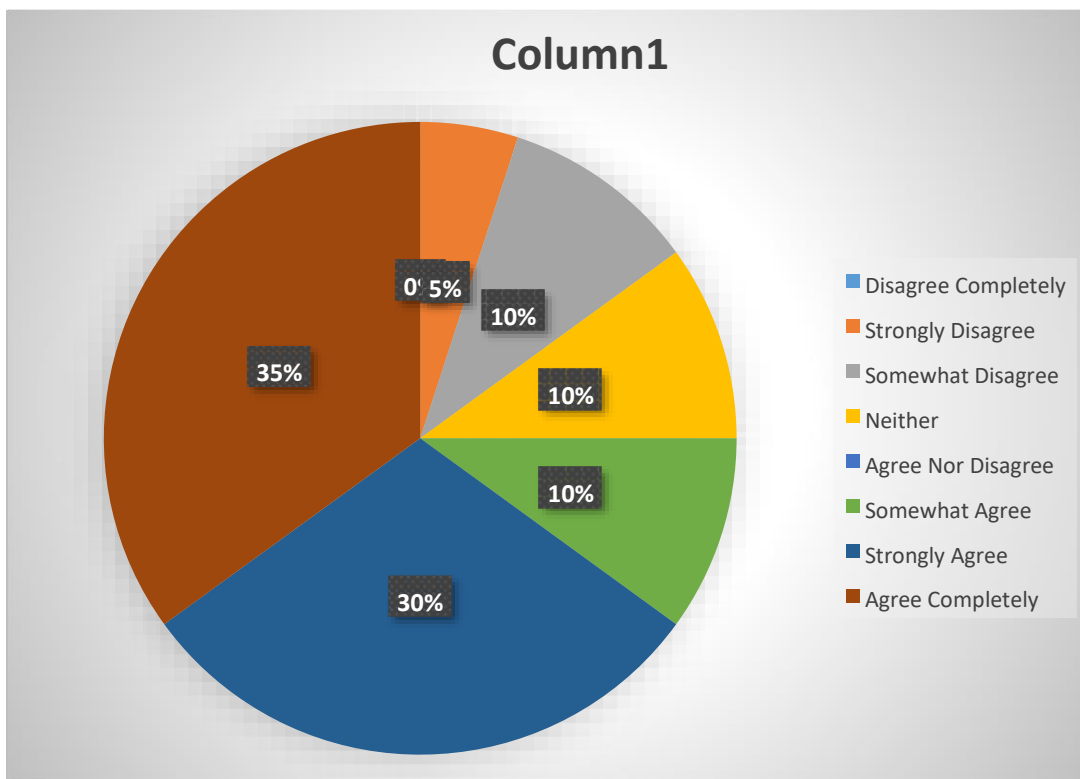
4. Please indicate the extent to which you agree with the following statements.

	Disagree Completely	Strongly Disagree	Somewhat Disagree	Neither Agree Nor Disagree	Somewhat Agree	Strongly Agree	Agree Completely
(a) The Company clearly conveys the mission to its clients.							
(b) I agree with The Company's overall mission.							
(c) I understand how my job aligns with The Company's mission.							
(d) I feel like I am a part of The Company.							
(e) There is good communication from employees to managers in The Company.							
(f) There is good communication from managers to employees in The Company.							

Most of the respondents were strongly agree for the welfare facilities provided by the company.

Alternatives/choices	No. of Respondents	Percentage %

Disagree Completely	0	0
Strongly Disagree	1	5
Somewhat Disagree	2	10
Neither Agree nor Disagree	2	10
Somewhat Agree	2	10
Strongly Agree	6	30
Agree Completely	7	35
Total	20	100



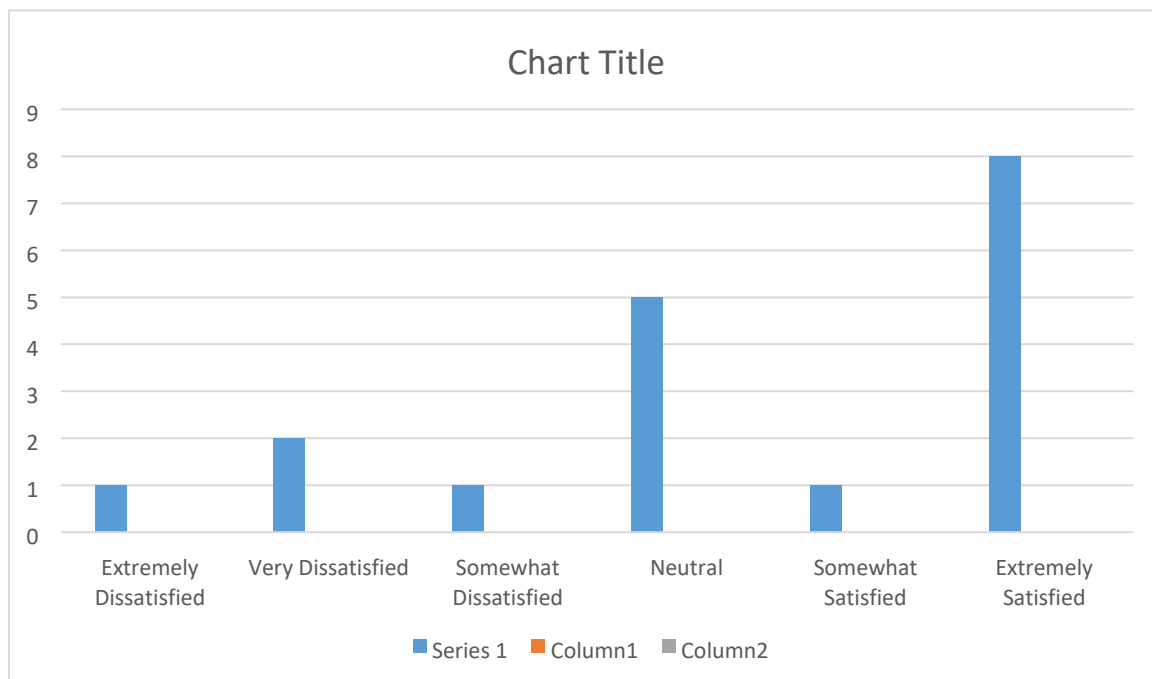
For the above statement most respondents were strongly agree with the company's mission and with the overall communication pattern followed in a company.

5. Overall, how satisfied are you working in your department?

- ☐ Extremely Dissatisfied
- ☐ Very Dissatisfied
- ☐ Somewhat Dissatisfied
- ☐ Neutral
- ☐ Somewhat Satisfied
- ☐ Extremely Satisfied

Alternatives/choices	No.of Respondents	Percentage
Extremely Dissatisfied	1	5

Very Dissatisfied	2	10
Somewhat Dissatisfied	2	10
Neutral	5	25
Somewhat Satisfied	2	10
Extremely Satisfied	8	40
Total	20	100

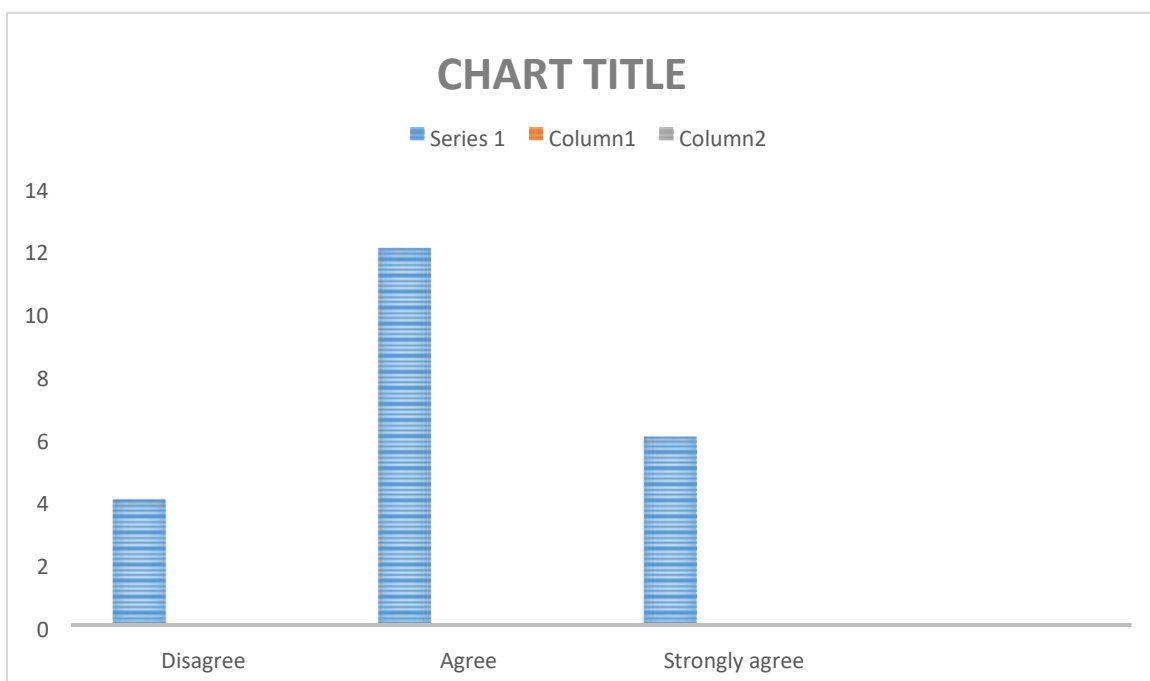


Most of the respondents were extremely satisfied working in their department.

6. Do you think you have given the proper post according to your qualification, experience and skill?

- ☐ Disagree
- ☐ Agree
- ☐ Strongly Agree

Strongly Agree	6	30
Total	20	100
Alternatives/choices	No.of Respondents	Percentage
Disagree	2	10
Agree	12	60

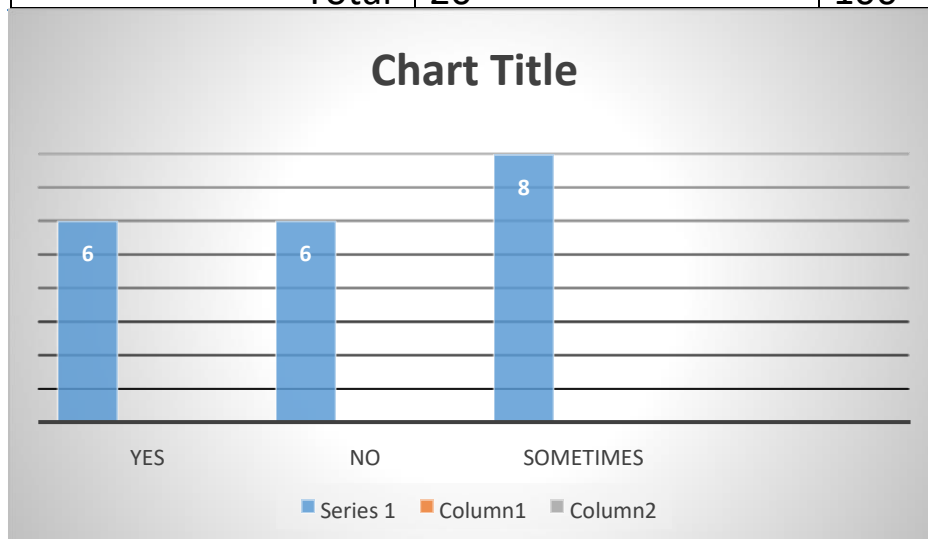


60% of total respondents were agree with the post they have assigned in a company according to their qualification, experience and skill, 30% were strongly agree and remaining 10% were disagree.

7. Do you think disciplinary action followed in a company is very strict and is done on rigid basis?

- ☐ Yes
- ☐ No
- ☐ Sometimes

Alternatives/choices	No.of Respondents	Percentage	
Yes	6	30	
No	6	30	
Sometimes	8	40	
Total	20	100	



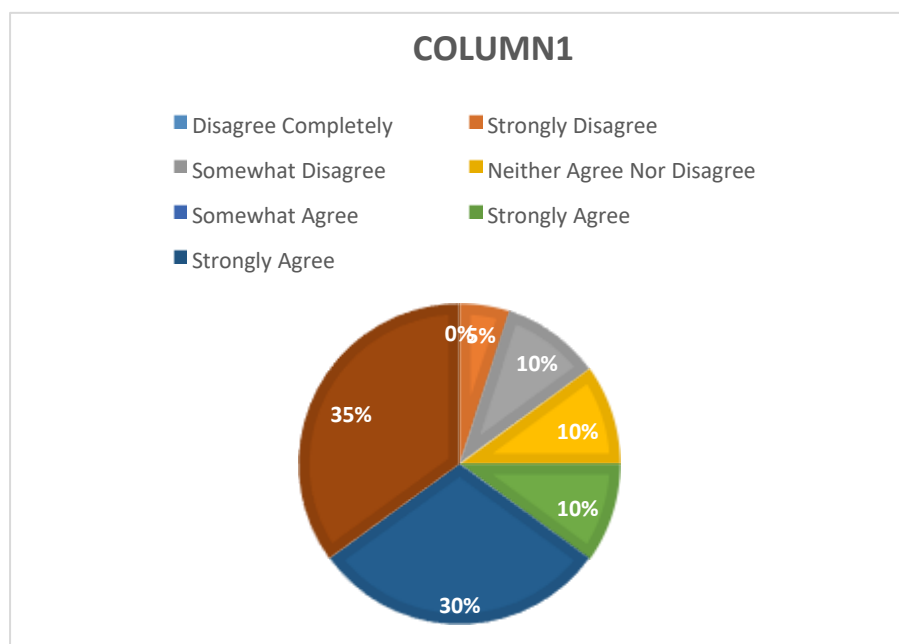
Most of the respondents were in a opinion that sometimes disciplinary action followed in a company is very strict.

8. Please indicate the extent to which you agree with the following statements:

	Disagree Completely	Strongly Disagree	Somewhat Disagree	Neither Agree Nor Disagree	Somewhat Agree	Strongly Agree	Agree Completely
(a) I have the tools and resources I need to do my job.							
(b) I have the training I need to do my job.							
(c) I receive the right amount of recognition for my work.							
(d) I am aware of the advancement opportunities that exist in The Company for me.							
(e) I feel underutilized in my job.							
(f) The amount of work expected of me is reasonable.							

- (g) It is easy to get along with my colleagues.
- (h) People in my department communicate sufficiently with one another.

Alternatives/choices	No.of Respondents	Percentage %
Disagree Completely	0	0
Strongly Disagree	1	5
Somewhat Disagree	2	10
Neither Agree nor Disagree	2	10
Somewhat Agree	2	10
Strongly Agree	6	30
Agree Completely	7	35
Total	20	100



For the above statement 30% of the respondents were strongly agree for the situation.

9. How satisfied are you with...

Dissatisfied Completely Dissatisfied Very Somewhat Very Completely
Dissatisfied Somewhat Neutral Satisfied Satisfied Satisfied

(b) your bonus?

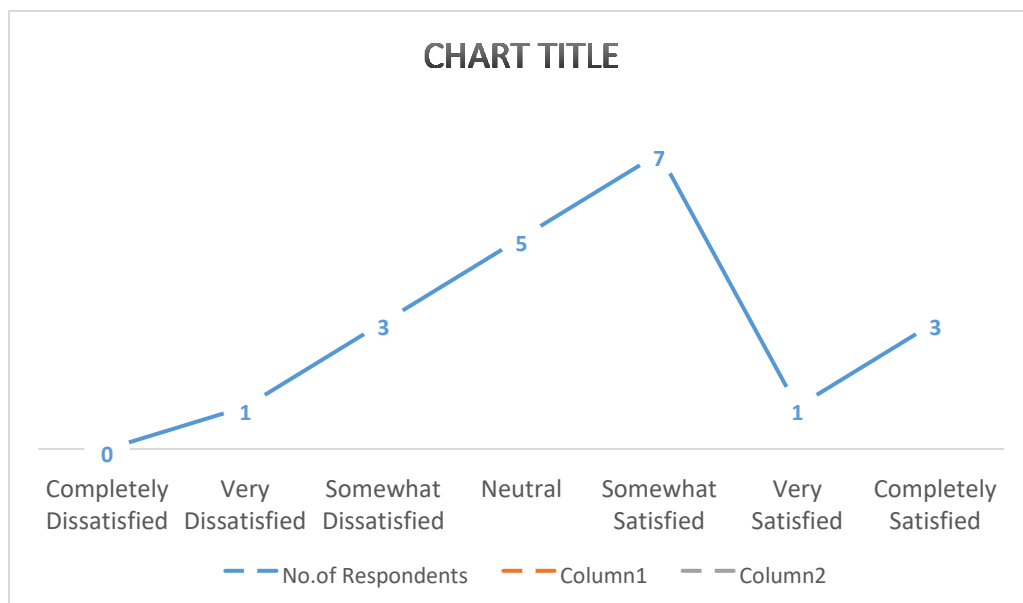
(c) your career progression at The Company thus far?

(e) the vacation time you receive?

(f) the retirement plan? (g) your medical insurance?

(h) other benefits offered by The Company?

Alternatives/choices	No.of Respondents	Percentage
Completely Dissatisfied	0	0
Very Dissatisfied	1	5
Somewhat Dissatisfied	3	15
Neutral	5	25
Somewhat Satisfied	7	35
Very Satisfied	1	5
Completely Satisfied	3	15
Total	20	100

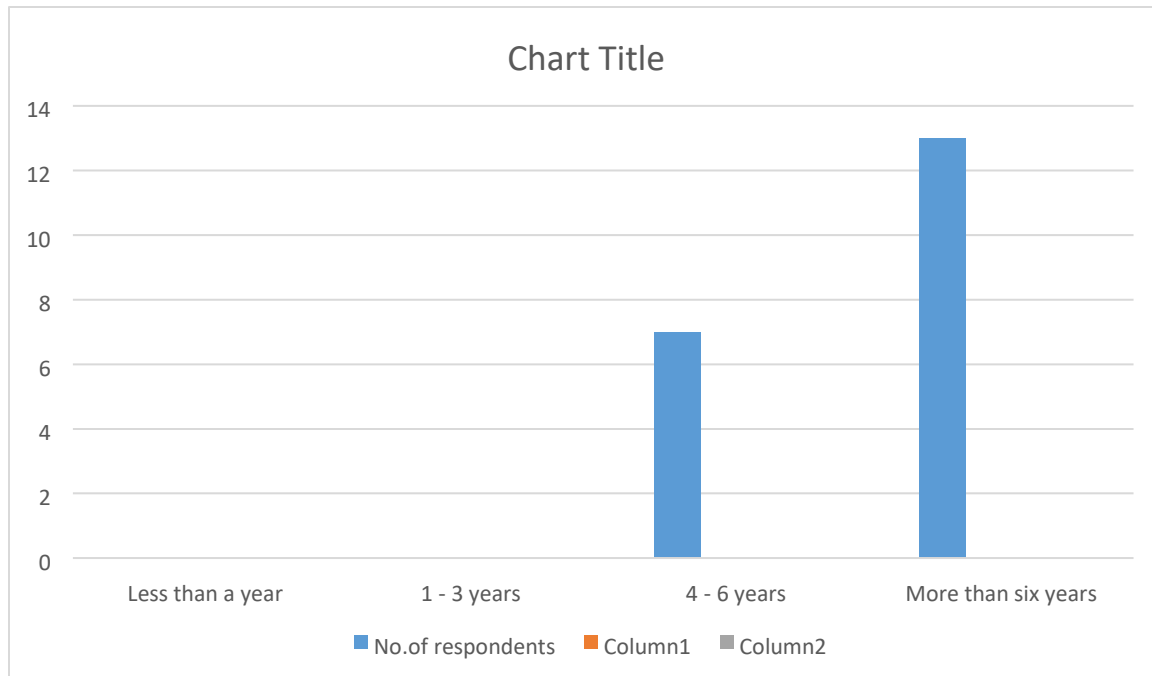


It was found that most of the respondents were somewhat satisfied with their career progression at the company thus far and benefits offered by the company.

10. How many years have you been with The Company?

- ☐ Less than a year
- ☐ 1 - 3 years
- ☐ 4 - 6 years
- ☐ More than six years

Alternatives/choices	No.of Respondents	Percentage
Less than a year	0	0
1 - 3 years	0	0
4 - 6 years	7	35
More than six years	13	65
Total	20	100



It was found that out of all 20 respondents,13 respondents was working for the company since more than 6 years and the remaining 7 respondents is for 4-6 years

Chapter 5

Findings:

- Most of the employees are married
- Majority of the workers are working in production department
- Majority of the workers have 6-10 years of experience
- Most of them are satisfied with their work
- Majority of them are satisfied with the training programme conducted in the company
- Majority of the workers are satisfied in the working conditions.
- Most of them are satisfied in the career growth opportunities.
- Majority of the employees have good opinion about the relationship between colleagues.
- There is only average opinion about the safety measures provided by the company.
- Most of them have good opinion about the welfare measures.
- Most of them are satisfied with the facilities.
- Majority of them have good opinion about the management policies and procedures.
- Most of them have average opinion about the entertainment benefit.

Recommendations:

- Provide transport facilities for those workers who are living away from the company
- The management should reduce the heavy work load given for each employee and this increase the rate of job satisfaction.
- Deserving workers should be duly recognized by way of suitable rewards, prizes for good work.
- Provide more comfortable rest rooms for employees working in night shifts.
- Improve the first aid facility by providing more medicine

CONCLUSION

In the research the employees of MRF LTD. were supposed to assess their job satisfaction. Their job satisfaction results in their work safety. Happy and satisfied employee performs better his duties, becomes more responsible, feels part of the enterprise. The employees defined their job satisfaction by referring to 10 statements describing this satisfaction and evaluating three factors that were used to compute the satisfaction index. Of course, the research is not without limitations. The survey was created on the basis of small sample. Some important factors could be omitted. Survey itself was quite short so some respondents could feel unexpressed and filled it up without any will or at random. The research was conducted in cooperation with the management of the research enterprise, which could also have an impact on the results because the employees knew that results would be available to the management so they could be afraid to answer honestly.

MANAGERIAL IMPLICATION

The data which is collected for the project is mainly through the employees' point of view. The questionnaire was formed to the employees to check the job satisfaction level of the employees by considering working environment, motivation level, future goals, welfare facilities and viewpoint of the employees towards organization, management and other employees.

Their suggestion has been taken for the study and based on their suggestion and recommendation we come to know that what are the reason employees face problems most of the employees think Disciplinary committee is not taking proper actions and overall only 30% of employees are satisfied with their job. .

According to the study, we come to know that employees are very happy with the welfare facilities provided by the company and also think company has a good working environment.

I would recommend that the company must look the employees even if the employees working on contract bases.

As per my study conducted by 20 employees. The MRF Company able to satisfy the employees based on their work. As it is multinational company they should try to reduce heavy work so that workers will feel fresh and will work efficiently and effectively

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