

Corporate Social Responsibility Is Applicable To The Msme Sector With A Focus On Social Responsibility In The Cuddalore District

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Abstract:

In this way the MSME is not a standard form of social responsibility even though this sector become well aware of social responsibility and practiced it in their routine business operations without realizing it, So the MSME sector is more socially responsible than the corporate sector from multiple perspectives. However, as soon as a corporate does not fall under the CSR requirement, it is no longer required to engage in social responsibility for meet their requirements. The available resources will than be destroyed in the ensuring days. The world's business should be accountable for all of the resources available even though natural resources are independent in that sense. Primary and Secondary data are the only sources for present study. The secondary data were gathered from the Tamil Nadu government MSME website. The Government may also relieve taxes for SMES, and generally speaking, All members of society may grant preferential access to all MSMEs that are protected in their local communications, as well as cooperate will and support MSMES as stakeholders with regard to responsibility.

Key Words: Corporate social responsibility, micro small and medium enterprises, stakeholder, philanthropic.

Introduction

Corporate social responsibility is applicable to the MSME sector with a focus on Social responsibility in the Cuddalore district.

Corporate Social responsibility is provisional responsibility to corporate(Martín-Castejón& Aroca-López, 2016) once these sector not meet CSR eligible criteria there is no need to implement CSR activities, so finally non eligible corporate completely filtered their CSR programme and also there is no legalization for not eligible corporate, but eligible corporate once not implement the CSR activities that is offence to the firm the find is should be transferred to PM care amount based on legal provision, In this way the MSME is not a standard form of social responsibility (Ruchi and Taral, 2014).even though this sector become well aware of social responsibility and practiced it in their routine business operations without realizing it, So the MSME sector is more socially responsible than the corporate sector from multiple perspectives.

The Carroll created pyramid shaped CSR paradigm and its content includes economic responsibility, legal duty, ethical responsibility and philanthropic engagement. It is examined how seamlessly integrated accountability is into companies. The company should to focus all of its efforts on the organization's desire to do social responsibility. For better CSR implementation, the Corporate Sector is being prioritized more.

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The John Ellington developed triple bottom line (Kleindorfer et al. [2005](#)) strategy expands on tried and true corporate development strategies. Even organization helps the economy, environment, and social well-being. The terms "people, planet and prosperity" are frequently used. These three P's were intermingled: people involvement, social projects and sustainability thinking. (Kandavel R et al., 2018) morale is undeniable concept, every organizations concentrating to improve their morale level. In the end, it has to do with preserving the environment's natural resources, sustainable development, and bringing prosperity to the population. Since we currently cannot survive without the people, the planet, and prosperity, this model must be implemented to all small scale industries. It is also appropriate for the MSME sector because it is a model for social responsibility, sustainable business growth, and social responsibility that goes above and beyond the CSR provision.

Statement of problem

Corporate Social Responsibility has been rated for more than a country under many terms, but it has been required as Corporate Social responsibility from 2011 to the present as mandatory from the perspective of stakeholders view. The corporate sector will only be held accountable for comes under with any one of the three categories that eligibility that is based on a provisional assumption of liability. However, in order for a corporate sector to be covered by CSR provisions, it must engage in Social responsibility activities, otherwise it will be considered to have violated the law will face enforcement of a financial transfer to the PM care fund. However, as soon as a corporate does not fall under the CSR requirement, it is no longer required to engage in social responsibility for meet their requirements. The available resources will then be destroyed in the ensuring days. The world's business should be accountable for all of the resources available even though natural resources are independent in that sense.

The micro, small and medium sized firms constitute a crucial part of the nation's overall business sector in this regard. Beyond just providing for our needs, the MSME sector is an essential component of responsibility because it is interwoven with every human being's day-to-day existence once we survive without the corporate sector.

This study aims to analyze how SMEs go above and beyond the requirements of the CSR to take responsibility for society through their business. The CSR project solely fulfills the infrastructure needs of people, acting as a philanthropic and altruistic endeavor for the benefit of society as a whole. But the MSME is always as sustainability to the people for meeting their economic and social status, and improving their family so it will naturally develop of people. The corporate sector turnover is higher than that of SMEs, but SMEs are more accountable to the public act in a more sustainable way, which is undeniably still true. The study poses the following questions for analysis on how small and medium sized enterprises can assess responsibility from various views.

The present study attempt to analyze the following questions.

1. What methods does small and medium business use to incorporate social responsibility into their business operations?
2. What do MSME’s contributions to employee benefits under social responsibility entail?
3. What steps should be taken to develop CSR activity in their industries in the future?

Objectives of the study

1. To examine the corporate social responsibility practices of the MSME sector.
2. To analyze how MSME business employees are treated in terms of social responsibility.
3. To suggest for better implementation of CSR implementation in MSME industries.

Primary and Secondary data are the only sources for present study. The secondary data were gathered from the Tamil Nadu government MSME website. MSME units in the cuddalore district were chosen to provide primary data. A multistage process is used for sampling frames. The study area was chosen based on the MSME (micro, small and medium enterprises) units, each level of unit selected 10 entrepreneurs, totally 30 samples. The data were analyzed using statistical tools including simple percentage and ANOVA single factor.

TABLE: 1 Details of Micro, Small and Medium enterprises in North Tamil Nadu.

District	UdyogAadhar registered	Micro enterprises	Small enterprises	Medium enterprises
Chennai	80210	73287	6108	815
Cuddalore	10413	10125	272	16
Kanchipuram	25751	24228	1340	183
Krishnagiri	12811	5833	357	29
Thiruvalluvar	23211	21838	1246	127
Thiruvannamalai	8516	8266	239	11
Vellore	15831	15268	529	34
villupuram	10807	10462	333	12

Source: MSME- D1 Chennai – Tamil Nadu Government website – 2020 -2021

The number of registered and active Micro, Small and medium sized business in north Tamilnaduis examined in the table above Cuddalore is the focus of this paper analysis. The registered business in Cuddalore district number 10413. The primary products of these units are Jute Cashew, cotton, readymade garments, rice mills etc., these products are essentially created affectively using local resources. In this regards, the MSME has a pretty big responsibility for the economic development of all enterprises and the rural areas.

TABLE: 2 The entrepreneurs opinion about social responsibility.

S. no.	Particulars	Micro Units	Small Units	Medium Units	Total
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1.	The enterprises contribute to economic responsibility	09 (30)	12 (40)	09 (30)	30 (100)
2.	The enterprises are following ethical standards and compliance.	09 (54)	11 (23)	10 (23)	30 (100)
3.	The enterprises are welfare activities for society.	04 (13)	12 (40)	14 (47)	30 (100)
4.	The enterprises are providing employment opportunity with affiliate labour union.	05 (17)	13 (43)	12(40)	30 (100)
5.	The enterprises are providing training and benefits to the employees.	09 (30)	11 (37)	10 (33)	30 (100)

Source: computed by primary data.

The opinions of the respondents indicate higher the social responsibility actions. The public is offered employment opportunities and equal input on their opinions regarding moral standards and compliance duty after welfare activities, which are given priority of the MSME entrepreneurs.

TABLE: 3 The respondents opinion about employment responsibility.

S. No.	Particulars	Micro units	Small units	Medium units	Total
1.	Opportunities for employment are provided to rural youth entrepreneurs.	12 (40)	07 (24)	11 (37)	30 (100)
2.	Offering employment opportunities with full statutory perks.	13 (43)	11 (37)	06 (20)	30 (100)
3.	Respectable communication between employers and employees	10 (33)	15 (50)	05 (17)	30 (100)
4.	Giving the employees training and modernized methods.	10 (33)	10 (33)	10 (33)	30 (100)
5.	Employees are conscious of their social responsibility.	12 (40)	11 (37)	07 (24)	30 (100)

Source: computed by primary data.

The opinions of the respondents on work opportunities are shown in the table above. The relations between employers and employees come first, than opportunities for employment with benefits and employee training in current methods is given equal significance.

TABLE: 4 The respondents opinions about standard form of social responsibility.

S. No.	Particulars	Micro units	Small units	Medium units	Total
1.	The government establishes a common form of CSR for MSME.	05 (17)	12 (40)	13 (43)	30 (100)
2.	Support for the projects implementation from the community.	10 (33)	10 (33)	10 (33)	30 (100)
3.	The government may develop a policy requiring all MSME units to participate in environment preservation efforts.	08 (26)	11 (37)	11 (37)	30 (100)
4.	The government may waive the GST requirements for MSME that engage is CSR operations.	07 (24)	10 (13)	13 (43)	30 (100)
5.	MSME unit forms an association to carryout the execution of the CSR.	05 (17)	13 (43)	12 (40)	30 (100)

Source: computed by primary data.

The typical practice of social responsibility is shown in the table above. Priority one for the government's policy is likely to be the GST reduction and the formation of associations, with MSME business planning greater emphasis on environment resource preservation.

TABLE: 5 Opinion of MSME entrepreneurs about social responsibility – ANOVA, Ho'' there is no favourable opinion of MSME entrepreneurs about social responsibility.

Mean			f. Value	P. value
Micro	Small	Medium		
164.5	140.1	156.6	2.4499	0.1053
164.5	140.1	156.6	2.2647	0.1232
164.5	140.1	156.6	1.9961	0.1554
164.5	140.1	156.6	2.1771	0.1329
164.5	140.1	156.6	2.3302	0.1165

Significant at 5 per cent level *P<0.05 significant at 1 per cent level **P<0.01

Source: statistical calculated value – ANOVA

The ANOVA results show that the calculated value of contribute to economic responsibility and followed by training to employees both are taken to take the opinion on more responsibility and also other statement of opinion are favourable an outcome of the ANOVA result so the calculate F. value is more than the table value so the null hypothesis is rejected and the alternative hypothesis is accepted.

H1: there is favourable opinion of MSME entrepreneurs about social responsibility.

TABLE: 6 Opinion of MSME entrepreneurs about employment responsibility – ANOVA, Ho “ there is no favourable opinion of MSME entrepreneurs about employment responsibility.

F. value	P. value
1.8293	0.1799
2.0900	0.1432
2.3007	0.1195
2.2647	0.1232
2.1743	0.1332

Source: statistics calculated value – ANOVA

The above table shows the calculation of the ANOVA output as employment responsibility, that employment given to rural young entrepreneurs and be given training are most favourable opinion and followed all opinion are results are more than the P value so the null hypothesis is rejected than alternative hypothesis is accepted.

H1: There is favourable opinion of MSME entrepreneurs about employment responsibility.

TABLE: 7 Opinion of MSME entrepreneurs about standard from of social responsibility – ANOVA, Ho” there is no favourable opinion of MSME entrepreneurs about standard form of social responsibility.

F. value	P. value
2.0957	0.1425
2.2647	0.1232
2.2543	0.1243
2.0549	0.1477
2.1771	0.1329

Source: statistical calculated value – ANOVA

The respondents perception of social responsibility norms is that local community support is most important and environment protection comes in second. As a result, the alternative hypothesis is accepted H1: there

is favourable opinion of MSME entrepreneurs about standard form of social responsibility and the null hypothesis is rejected based on the evidence from the ANOVA results.

FINDINGS:

- The majority of respondents had views on social responsibility that looked to give rural entrepreneurs opportunities for employment and follow the ethical standards in their business.
- The respondents have favourable opinions of the relationship between employers and employees and the fact that these parties have been provided with all benefits and training in terms of employment responsibility.
- The respondents top priorities are determined by the standard of CSR point of view, a GST reduction for MSME units, the formation of associations, and environmental protection.

SUGGESTIONS:

- The Government comes down and encourages, and develops the MSME unit as varied additional help because the MSME entrepreneurs are more mindful of CSR and are so performing some important social obligation, this has greatly increase MSME participation in social responsibility.
- The Government may also relieve taxes for SMES, and generally speaking, All members of society may grant preferential access to all MSMEs that are protected in their local communications, as well as cooperate will and support MSMEs as stakeholders with regard to responsibility.

CONCLUSION:

The MSME sector plays a critical role in the economy nowadays and shoulder all social obligation. Beyond the CSR provision, it is carrying our responsible operations. Government, the general public, and business people should won together in a coordinated manner to advance the MSME sector because if this is done properly. The nation's economy may reach its peak. Consequently, there is no question that the MSME industry has been engaging in social responsibility initiatives ever since it started operating as a business.

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