# A STUDY ON THE PERCEPTION OF THE RURAL RESIDENTS / HOUSEHODLS TOWARDS THE CORPORATE SOCIAL RESPONSIBILITY OF RANE TRW STEERING SYSTEMS PRIVATE LIMITED

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# ABSTRACT

The companies having net worth of INR 500 crores or more; or turnover of INR 1000 crores or more; or net profit of INR 5 crores or more during the financial year shall be required to constitute a Corporate Social Responsibility Committee of the Board. This criterion is mentioned under Sub Section 1 of Section 135 to comply with the provisions relevant to Corporate Social Responsibility. This study is conducted among the rural residents/ households around "Rane TRW Steering Systems Private Limited" to understand the CSR activities of the company from the public view. This study also helps in knowing the needs and requirements of the public from the company's CSR activities. The primary data were collected through the questionnaire from 150 respondents around the company. The sampling method used in this study is convenient random sampling. The data were analyzed using percentage analysis and cross tabs with the help of SPSS package. The major objective of the study is to evaluate the needs, opinion of the public. From the findings of the study, it is suggested that some of the requirements given by the public can be taken as projects for CSR plans of the current year.

Key words: Corporate Social Responsibility, Problem solving.

# **INTRODUCTION**

Corporate Social Responsibility is not a new concept in India, however, the Ministry of Corporate Affairs; Government of India has recently notified the Section 135 of the Companies Act, 2013 along with Companies (CSR policy)Rules, 2014 "hereinafter CSR Rules" and other notifications related there-to which makes it mandatory (with effect from 1<sup>st</sup> April, 2014) for certain companies who fulfill the criteria as mentioned under the Sub Section 1 of Section 135 to comply with the

provisions relevant to CSR. The societal development programs are modified and mentioned in the Schedule VII which covers wide range of activities under six major categories like Education, Healthcare, Environment development, Community development, Safety and Women empowerment.

# **REVIEW OF LITERATURE**

Krumwiede (2012) has focused on developing the concept of Corporate Social Responsibility (CSR) and the framework for considering the issues including the practices and how to implement them. Lin, Yu Wen (2011) reports that social performance is based on content analysis (CA) of interviews. Hossain (2012) in this paper explores the current status and extent of corporate social responsibility (CSRR) of Qatari companies listed on the Qatar Exchange. Perez (2015) analyzes the corporate social responsibility (CSR) and their management with stakeholders providing benefits to the society despite of the large number of studies on the subject. Rajasekhara (2010) in his research says about the attitudinal display of companies towards the CSR. Adewuyi (2010) talks about the dearth of studies on CSR and community satisfaction towards them. Majid (2013) in his explores the relationship between the CSR and corporate reputation. Nejati (2009) is this paper investigates the need for CSR in SMEs. Jose (2013) says that CSR is the role that companies play for a sustainable development, to get balance between economic growth, social wellness & correct use of natural resources in the environment. Sanil (2015) is this paper discusses that CSR as a part of business strategy should be a transparent communication. Plantilla (2015) helps in assessment of the management systems of CSR and extent of the practices towards stakeholders on manufacturing firms.

# **NEED FOR THE STUDY**

Rane TRW Steering Systems Private Limited, Trichy initially focuses on contributing towards its societal responsibilities based on the profit of the company. CSR projects undertaken by the company and aims to full-fill the rules and requirements of the Section 135 of the Companies Act, 2013. The so far CSR activities are done as per the perception of the company's view. It is in an unstructured form. So sometimes it does not meet the needs of the people. So this study is been conducted know the needs and opinion of the rural residents around the company and recommend the company with suitable suggestions taken from the findings.

# **OBJECTIVES OF THE STUDY**

The main objectives of the study are:

- To study the demographic profile of the rural residents.
- To study the satisfactory level of the rural residents from the past CSR activities of the company.
- To study the opinion/ expectation of the rural residents on company's CSR activities.
- To provide suggestions/ recommendation to the company for the expansion of the CSR activities in a formulated manner.

# SCOPE OF THE STUDY

The scope of the study covers five categories of societal development such as healthcare, education, environment, community development and safety which is listed in the Schedule VII of Companies act, 2013. The data for this study is collected from rural residents/ households of five villages around the company such as Boothakudi, Kavarapatti, Vadugapatti, Sevalpatti and Viralimalai (town). The period of the study is one month during the March month of 2016.

# METHODOLOGY

Research Design - Descriptive research design was adopted for the study because the study attempts to reach with conclusion to suggest the company with projects according to the people requirements. The complete and accurate description cannot be given from the study.

Nature of data - Primary and Secondary data were used for the collection of information for the study.

Primary Data: The Primary data was collected from the rural residents/ households around the company (Rane TRW Steering Systems Private Limited, Viralimalai) using questionnaire.

Secondary Data: Secondary data relating to review of literature was online journals such as google scholar, scopus, proquest, etc. and also from various websites of internet sources.

Sampling method - The sampling method used for the study is convenient random sampling method.

Sample Size - The sample size of this research is 150, people from 5 villages around the company, has been taken for the study.

Data collection methods - The primary data is collected through questionnaire from rural residents/ households of five villages. Questions related to the categories like Healthcare, Education, Environment, Community development and Safety which are listed under the Schedule VII of the Companies Act, 2013 has been set as base for the questionnaire.

# LIMITATIONS

- The study is applicable to only few selected villages around the company, so it cannot be used to any other place.
- Most of the rural residents are illiterate, so it is hard for the researcher to collect data from people.
- Since, the requirements where sort from individuals, it differs from society requirements.

# DATA ANALYSIS AND INTERPRETATION

The primary data were collected from the rural residents/ households through questionnaire and the same were analyzed using the statistical tools like Percentage analysis and Cross tabs which were interpreted in the following tables.

Place of Living	No. of respondents	Percentage		
Viralimalai (town)	43	28.7		
Kavarapatti	27	18.0		
Vadugapatti	31	20.7		
Boothakudi	29	19.3		
Sevalpatti	20	13.3		
Total	150	100.0		
Gender	No. of respondents	Percentage		
Male	69	46.0		
Female	81	54.0		
Total	150	100.0		

# Table No.1

# Demographic profile of the respondents

Age	No. of respondents	Percentage		
Under 20 years	22	14.7		
21 to 30 years	32	21.3		
31 to 40 years	50	33.3		
41 to 50 years	32	21.3		
51 to 60 years	14	9.3		
Total	150	100.0		
Current Status	No. of respondents	Percentage		
Farmer	42	28.0		
Industrial Worker	33	22.0		
Student	30	20.0		
Government Employee	15	10.0		
Others	30	20.0		
Total	150	100.0		

Source: Primary data

According to the above table, 28.7% of the respondent's living place is Viralimalai (town), 18.0% of the respondent's living place is Kavarapati, 20.0% of the respondents living place is Vadugappati, 19.3% of the respondent's living place is Boothakudi and the remaining 13.3% of the respondent's living place is Sevalpatti. Based on the Gender discrimination, 46.0% of the respondents are Male and 54.0% of the respondents are Female. Base on the Age, 14.7% of the respondents are below the age of 20 years, 21.3% of the respondents are between the age 21 to 30 years, 33.3% of the respondents are between the age of 31 to 40 years, 21.3% of the respondents are between the age of 51 to 60 years. Based on the Current Status, 28.0% of the respondents are farmers, 22.0% of the respondents are Government Employees and 20.0% of the respondents are from other categories like business persons, coolies, etc.

# Table No.2

# Requirements of the rural residents/ households from the CSR activities of the Company

		Educa	tional De	evelopn	nent			
Village Name	Infrastructure development for Schools	Studen materia for Stude	ls	Basic required materials for students and staffs		ls for required		Total
Viralimalai (town)	6	14		6		10		43
Kavarapatti	1	8		9		5	4	27
Badugappati	2	9		8		7	5	31
Boothakudi	3	7		9		5	5	29
Sevalpatti	1	5		7	3		4	20
Total	13	43		39	)	30		150
		Health	ncare De	velopm	ent			
Village Name	Medical Service	Facilities and instruments for treatment in hospitals			Ex pharma medi	ceutical	Others	Total
Viralimalai (town)	12	-14				7	10	43
Kavarapatti	8	7			2	1	8	27
Badugappati	13	6			(	5	6	31
Boothakudi	11	6			(	5	6	29
Sevalpatti	8	3			2	1	5	20
Total	52	36			2	7	35	150
		Environ	mental I	Develop	ment			
Village Name	Plantation of n trees inside a around the vil	nside and for p		oper waste prop		Construct proper drainage system		Total
Viralimalai (town)	14			8		12		43
Kavarapatti	8		4			9		27
Badugappati	9		7			8		31
Boothakudi	8			7		8	6	29

Sevalpatti	7			3 6				4	20
Total	46		29			43		32	150
			Communit	y Developm	ent				
Village Name			Providence of bore-well facility with hand pumps			Extra street lamps		Others	Total
Viralimalai (town)	11		16		8		8	43	
Kavarapatti		3	11			8		5	27
Vadugapatti		3		14			7	7	31
Boothakudi		9	9			6	5	29	
Sevalpatti		3		5		5		7	20
Total		29		55		34		32	150
		Sa	fety Measu	re Develop	ment	ts			
		Awareness and Ga					y Others		Total
Viralimalai (town)		1	12 27				4	43	
Kavarapatti	ti		9 11		7		,	27	
Vadugapatti			10 18		3		;	31	
Boothakudi			9 16		4			29	
Sevalpatti			8 10		2		2	20	
Total	Total 4		48 82			20		0	150
		Develo	pment of W	omen Emp	owe	rment		1	
Village Name		de job offers pany or help job offer	them get	Creations of self- employment opportunities with proper guidance		Others	5 Total		
Viralimalai (town)		19			2	1		3	43
Kavarapatti		10		12				5	27
Vadugapatti	10		20				1	31	
Boothakudi	10			15				4	
Sevalpatti	7			10			3	20	
Total	56			78				16	150

Source: Primary Data

According to the above table, based on the Educational Development in Viralimalai (town), 6 respondents requested for infrastructure development in the schools, 14 respondents suggested to provide study material to the school students, 6 respondents requested to provide basic required equipment's for the students and staffs in the schools, 10 respondents requested for providing the facilities required in the schools of their village, 7 respondents requested for some other requirements like stationary, medicines in schools; etc.; in Kavarapatti, 1 respondent requested for infrastructure development, 8 respondents suggested to provide study material to the students, 9 respondents requested to provide basic required equipment's for the students and staffs in the schools, 5 respondents requested for providing the facilities required in the schools of their village, 4 respondents requested for some other requirements like stationary, medicines in schools; etc.; in Vadugapatti, 2 respondents requested for infrastructure development in the schools, 9 respondents suggested to provide study material to the school students, 8 respondents requested to provide basic required equipment's for the students and staffs in the schools, 7 respondents requested for providing the facilities required in the schools of their village, 5 respondents requested for some other requirements like stationary, medicines in schools; etc.; in Boothakudi, 3 respondents requested for infrastructure development in the schools, 7 respondents suggested to provide study material to the school students, 9 respondents requested to provide basic required equipment's for the students and staffs in the schools, 5 respondents requested for providing the facilities required in the schools of their village, 5 respondents requested for some other requirements like stationary, medicines in schools; etc.; in Sevalpatti, 1 respondent requested for infrastructure development in the schools, 5 respondents suggested to provide study material to the school students, 7 respondents requested to provide basic required equipment's for the students and staffs in the schools, 3 respondents requested for providing the facilities required in the schools of their village, 4 respondents requested for some other requirements like stationary, medicines in schools; etc.

Based on the Healthcare Development, in Viralimalai (town), 12 respondents requested for medical service facility in their village, 14 respondents suggested to provide some extra facilities and instruments for treatments in the hospitals of their village, 7 respondents requested for providing extra pharmaceutical medicines to the hospitals in their village, 10 respondents requested for some other facilities like canteen, washroom, etc. in the hospitals in their village; in Kavarapatti, 8 respondents requested for medical service facility in their village, 7 respondents

suggested to provide some extra facilities and instruments for treatments in the hospitals of their village, 4 respondents requested for providing extra pharmaceutical medicines to the hospitals in their village, 8 respondents requested for some other facilities like canteen, washroom, etc. in the hospitals in their village; in Vadugapatti, 13 respondents requested for medical service facility in their village, 6 respondents suggested to provide some extra facilities and instruments for treatments in the hospitals of their village, 6 respondents requested for providing extra pharmaceutical medicines to the hospitals in their village, 6 respondents requested for some other facilities like canteen, washroom, etc. in the hospitals in their village; in Boothakudi, 11 respondents requested for medical service facility in their village, 6 respondents suggested to provide some extra facilities and instruments for treatments in the hospitals of their village, 6 respondents requested for providing extra pharmaceutical medicines to the hospitals in their village, 6 respondents requested for some other facilities like canteen, washroom, etc. in the hospitals in their village; in Sevalpatti, 8 respondents requested for medical service facility in their village, 3 respondents suggested to provide some extra facilities and instruments for treatments in the hospitals of their village, 4 respondents requested for providing extra pharmaceutical medicines to the hospitals in their village, 5 respondents requested for some other facilities like canteen, washroom, etc. in the hospitals in their village.

Based on the Environmental Development in Viralimalai (town), 14 respondents suggested for plantation of more trees inside and around the village, 8 respondents requested for providing dustbins for waste disposal, 12 respondents requested for construction of drainage system, and 9 respondents requested for some other requirements like vehicles for waste disposal, incinerator, etc.; in Kavarapatti, 8 respondents suggested for plantation of more trees inside and around the village, 4 respondents requested for providing dustbins for waste disposal, 9 respondents requested for construction of drainage system, and 6 respondents requested for some other requirements like ambulance service, etc.; in Vadugapatti, 9 respondents suggested for plantation of more trees inside and around the village, 7 respondents requested for providing dustbins for waste disposal, 8 respondents requested for construction of drainage system, and 7 respondents requested for some other requirements like ambulance service, etc.; in Boothakudi, 8 respondents suggested for providing dustbins for waste disposal, 8 respondents requested for construction of drainage system, and 6 respondents requested for some other requirements like ambulance service, etc.; in Boothakudi, 8 respondents suggested for some other requirements like and around the village, 7 respondents requested for some other requirements like ambulance service, etc.; in Boothakudi, 8 respondents suggested for plantation of more trees inside and around the village, 7 respondents requested for providing dustbins for waste disposal, 8 respondents requested for construction of drainage system, and 6

respondents requested for some other requirements like ambulance service, etc.; in Sevalpatti, 7 respondents suggested for plantation of more trees inside and around the village, 3 respondents requested for providing dustbins for waste disposal, 6 respondents requested for construction of drainage system, and 4 respondents requested for some other requirements like ambulance service, etc.

Based on the Community Development, in Viralimalai (town), 11 respondents requested for construction of public toilets, 16 respondents requested for providing bore-well facility with hand pumps in their village, 8 respondents requested for providing Extra Street lamps in their village, and 8 respondents requested for some other requirements like books for library, cycle shed, etc. in their village; in Kavarapatti, 3 respondents requested for construction of public toilets, 11 respondents requested for providing bore-well facility with hand pumps in their village, 8 respondents requested for providing Extra Street lamps in their village, and 5 respondents requested for some other requirements like books for library, cycle shed, etc. in their village; in Vadugapatti, 3 respondents requested for construction of public toilets, 14 respondents requested for providing bore-well facility with hand pumps in their village, 7 respondents requested for providing Extra Street lamps in their village, and 7 respondents requested for some other requirements like books for library, cycle shed, etc. in their village; in Boothakudi, 9 respondents requested for construction of public toilets, 9 respondents requested for providing bore-well facility with hand pumps in their village, 6 respondents requested for providing Extra Street lamps in their village, and 5 respondents requested for some other requirements like books for library, cycle shed, etc. in their village; in Sevalpatti, 3 respondents requested for construction of public toilets, 5 respondents requested for providing bore-well facility with hand pumps in their village, 5 respondents requested for providing Extra Street lamps in their village, and 7 respondents requested for some other requirements like books for library, cycle shed, etc. in their village.

Based on the Safety Measure Development, in Viralimalai (town), 12 respondents requested for conducting awareness programs for fire and gas safety measures, 27 respondents requested for first aid safety measures classes, and 4 respondents requested for some other safety measure programs like road safety, natural disaster safety, etc.; in Kavarapatti, 9 respondents requested for conducting awareness programs for fire and gas safety measures, 11 respondents requested for first aid safety measures classes, and 7 respondents requested for some other safety

measure programs like road safety, natural disaster safety, etc.; in Vadugapatti, 10 respondents requested for conducting awareness programs for fire and gas safety measures, 18 respondents requested for first aid safety measures classes, and 3 respondents requested for some other safety measure programs like road safety, natural disaster safety, etc.; in Boothakudi, 9 respondents requested for conducting awareness programs for fire and gas safety measures, 16 respondents requested for first aid safety measures classes, and 4 respondents requested for some other safety measure programs like road safety, natural disaster safety, etc.; in Sevalpatti, 8 respondents requested for conducting awareness programs for fire and gas safety measures, 10 respondents requested for first aid safety measures classes, and 2 respondents requested for some other safety measure programs like road safety, natural disaster safety, etc.;

Based on the development of Women Empowerment, in Viralimalai (town), 19 respondents requested to provide job offers to their village people inside the company or help them to get some others jobs, 21 respondents requested for creation of self-employment opportunities with proper guidance, and 3 respondents requested for some options like providing funds for farming, etc.; in Kavarapatti, 10 respondents requested to provide job offers to their village people inside the company or help them to get some others jobs, 12 respondents requested for creation of self-employment opportunities with proper guidance, and 5 respondents requested for some options like providing funds for farming, etc.; in Vadugapatti, 10 respondents requested to provide job offers to their village people inside the company or help them to get some others jobs, 20 respondents requested for creation of self-employment opportunities with proper guidance, and 1 respondent requested for some options like providing funds for farming, etc.; in Boothakudi, 10 respondents requested to provide job offers to their village people inside the company or help them to get some others jobs, 15 respondents requested for creation of self-employment opportunities with proper guidance, and 4 respondents requested for some options like providing funds for farming, etc.; in Sevalpatti, 7 respondents requested to provide job offers to their village people inside the company or help them to get some others jobs, 10 respondents requested for creation of self-employment opportunities with proper guidance, and 3 respondents requested for some options like providing funds for farming, etc.

#### FINDINGS OF THE STUDY

The interpretations of the data analysis are the findings of this study.

# SUGGESTIONS TO THE COMPANY

From the above findings, some of those are been selected for suggesting to the company to take up as project in their CSR frame work of the current year. These are based on the direct observations by the researcher in the field. The recommendations given to the company are:

# EDUCATIONAL DEVELOPMENT SUGGESTIONS:

- Provide the required study materials to the students of the schools in Viralimalai (town), Kavarapatti, Vadugapatti and Boothakudi.
- ✓ Provide the needed facilities to the schools in Viralimalai (town) and Vadugapatti.
- ✓ Provide the basic required equipment's to the schools of Kavarapatti, Vadugapatti, Boothakudi and Sevalpatti.

### HEALTHCARE DEVELOPMENT SUGGESTIONS:

- ✓ Provide convenient medical service to the people of Vadugapatti, Boothakudi and Sevalpatti.
- ✓ Provide extra instruments and facilities to the hospitals of Viralimalai (town).

# ENVIRONMENTAL DEVELOPMENT SUGGESTIONS:

- $\checkmark$  Conduct tree plantation programs in all the five areas.
- ✓ Construct proper drainage systems in Viralimalai (town) and Kavarapatti.

# COMMUNITY DEVELOPMENT SUGGESTIONS:

- ✓ Provide/ construct bore-well facility with hand pumps in Viralimalai (town), Kavarapatti, Vadugapatti and Boothakudi.
- ✓ Provide extra street lamp facility in Viralimalai (town).
- ✓ Construct public toilets in Boothakudi.

# SUGGESTIONS FOR DEVELOPMENT OF SAFETY MEASURE:

- $\checkmark$  Conduct awareness programs for first aid safety measures in all the five places.
- $\checkmark$  Provide awareness programs for fire and gas safety measures.

# SUGGESTIONS FOR DEVELOPMENT OF WOMEN EMPOWERMENT:

Create self-employment opportunities to some selected capable people from all the five villages and provide them proper guidance.

# CONCLUSION

This study helps the company to see the entire picture of the people requirements in/ around the company. So, it is for the company to select the right project from the suggested list which meets majority requirements of the people around the company. It will also be helpful to the company in having a systematic frame work for the CSR plan of the current year. This sort of framed CSR plans from the selected reviews of the public and implementation of the projects will help the company in improving their good relationship with the people around the company.

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