Corporate reporting relates to communication of financial and non-financial information regarding resources and performance of a company. The key object of corporate reporting is to provide all useful information and extend accountability to numerous stakeholders. The changed economic scenario with increased market and regulatory pressures require companies to accumulate and publish information regarding financial performance, social and environmental issues, corporate governance, marketing and other information with more frequency, detail and variety of formats. Greater disclosures enable regulators and stakeholders to better monitor and control excessive risk-taking by corporations.

Corporate reporting refers to presenting data to internal and external users such as management, shareholders, regulatory authorities, general public and various specific stakeholder groups. The process of reporting varies depending on target audience and the basic purpose of reporting is developing closer alignments between various stakeholders and decision makers. Corporate reporting is a voluntary public presentation of information about an organization's financial and non-financial performance which includes economic, environmental, social and other relevant aspects of business. Corporate reporting promotes transparency and accountability aspects for an organization.

Corporate reporting has been recognized as an important mechanism for improving corporate image and performance. It is based on generating business value through measurement and management of environmental risk and opportunities, and reporting this information in a fashion that responds to the growing expectations of customers, business partners, investors and the wider community. The conceptual framework of corporate reporting is generally based upon timeliness of communication, reliability of information communicated, materiality of the information, relevance of the information to users, and forms of presentation. A company publishes an annual report as per the provisions of Companies Act, and it includes directors’ report, profit and loss account, balance sheet, funds flow statement and cash flow statement, chairman’s statement and auditor’s report.

Corporate reporting provides a medium for an organization to communicate with diverse stakeholders. It provides various types of tangible and intangible benefits to the organizations. It strengthens external relationships by publically sharing
information on economic, environmental and social performance of business. It provides information to investors and helps in attracting potential investors by informing them about financial and other highlights of the company. Reporting also helps in improving the supply chain relationships with the suppliers, intermediaries and distributors. It helps in gaining confidence of the regulatory bodies and also improving goodwill of the business. It enhances the global presence of an organization. It provides many internal benefits as well external benefits such as attaining and retaining high-quality employees by enhancing staff motivation and strengthening management systems and bringing efficiency and effectiveness in the organization and in its essence impacts the overall organizational performance.

A number of isolated and comprehensive studies have been undertaken by the scholars in various domains relating to reporting, compliance and other aspects. However, such a comprehensive detailed study that includes all the three disclosures comprising financial, non-financial and voluntary, their impact on organizational performance and market price of the share, and perception of various stakeholder on these aspects have never been taken up before, and thus, the present study shall contribute to the existing literature in a significant manner. A theoretical framework based on the extant review of literature was developed for the study.

**Exhibit: Theoretical Research Framework**
A. RESEARCH METHODOLOGY

A.1 Objectives of the Study

Following are the concise objectives of the study:

1. To determine the relationship between corporate reporting practices and organizational performance.
2. To study the impact of non-financial reporting on organizational performance.
3. To investigate the extent to which the companies have adopted the voluntary corporate reporting practices.
4. To explore the trend and relationship between market price of the share and corporate reporting.
5. To assess the perceptions of various stakeholders on adequacy and usefulness of corporate reporting.
6. To give suggestions on the basis of findings for improvement in corporate reporting practices.

A2. Research Approach and Design

The presented study follows an exploratory cum descriptive cum diagnostic design and quantitative in nature. Apart from the secondary data collected from sources including existing published research, company’s annual reports, web resources etc., primary data was also gathered through surveys for examining the perception of various stakeholders in regard to corporate reporting’s usefulness and adequacy of information provided, for the purpose of this study. To confirm and control check that the study is moving in the appropriate direction, various sources of information were explored during the literature review process, also consultation was sought from research supervisor and industry experts from time to time.

A.3 Universe and Survey Population

The universe of the study, for studying the impact of reporting on organizational performance, comprised of all the listed companies that have ever traded on the Indian stock exchanges, however the survey population included the listed companies at Bombay stock exchange (BSE). Further five major sectors that have similar reporting guidelines from Securities and Exchange Board of India (SEBI) were identified and
on the basis of criterion auto-ancillary, pharmaceuticals, packaged food, textiles and realty sectors were included in the study.

For the purpose of studying the perception of stakeholders, two different groups were targeted and the universe comprised of all the investors in the stock markets with at least bachelors qualification for first group, and the secretarial staff who are involved in preparing and submitting the corporate reports for the companies in the second group. For the purpose, investors who are associated with trading companies like Religare, Karvy, Sharekhan, Indiabulls and Profit Idea in the NCR region were approached as part of survey population, and for the second group the member company secretaries of ICSI (The Institute of Company Secretaries of India) were approached as part of the survey population.

A.4 Sample Area

The reporting data has been collected from 30 companies which are listed at the Bombay Stock Exchange belonging to five different sectors. The annual reports of the selected companies were accessed from the SEBI / BSE website for the financial year ending 2015-16. For the purpose of collecting information in regard to perception of different stakeholders, the survey population was confined to the Faridabad and Gurugram cities of NCR region.

A.5 Sample Design, Survey Sample and Selection of Respondents

For the purpose of studying the relationship between reporting and performance, six companies from each of the sectors namely, auto-ancillary, pharmaceuticals, packaged food, textiles and realty were selected. Initially a pilot survey was conducted on two sectors with four companies each selected on the criteria of top ranking on the basis of market capitalization. However no significant differences were observed in the reporting practices and the matter was discussed with the industry experts in consultation with the research supervisor. Accordingly, based on their suggestions another pilot survey was conducted and this time two suspended companies were added to the sample, and some differences in the reporting practices were observed. Likewise, in each sector a sub sample of three top companies on market capitalization and three suspended companies (for which reports were available on SEBI / BSE website) were chosen, making it a sample of fifteen companies each under trading (with top market capitalization) and suspended companies.
For the purpose of studying the relationship between market price of the share and reporting, only fifteen trading companies out of the total sample of thirty companies was taken for the analysis.

For the purpose of study of perception of the stakeholders it was divided into two groups. First for study of investors, based on non-random purposive sampling, trading companies like Religare, Karvy, Sharekhan, Indiabulls and Profit Idea in the Faridabad and Gurugram city were approached and a list of active investors who were at least graduates, were sought. Into total a list of 740 active investors was compiled and were approached through various mediums including phone and mails. The questionnaires were presented in both physical forms as well as in digital format through mails and google forms. Initially only 173 completed forms were received but on further persuasion on some in-complete and non-responded cases in total 200 forms were completed, generating a response rate of 27.20 percent.

For the second group under stakeholders, responses from secretarial staff was to be collected and for the purpose members of ICSI were approached. Moreover, for the study, responses from only those selected members were needed who deals with preparation and submission of corporate reports of listed companies. Thus, using references and snowball sampling approach in total responses of 100 practicing company secretaries were recorded who are involved with listed companies for preparation and submission of company’s annual report.

A.6 Data Sources

The present study is an empirical research and is developed and undertaken on the foundations of both the primary as well as secondary data. The theory has been mostly derived from secondary sources and an extensive literature review was undertaken for the purpose of formulation of research model and collection of reporting related data of the companies along with the data on performance indicators for the selected organizations. The primary data was collected using two separate questionnaires that were administered personally and through mails dealing with information pertaining to the perception of the stakeholders on the aspects of usefulness and adequacy of the corporate reporting. Timely and continuous consultation was sought from the experts in the field, and discussions preliminary discussions were made with the managers of the trading centers before initiating the survey process for the purpose of the study.
A.7 Hypotheses Formulation

After a thorough theoretical research of the objectives under research and a review of existing literature, a set of 14 null hypotheses were developed comprising:

- $H_01$ There is no significant relationship between financial corporate reporting and organizational performance.
- $H_{0.1}$ There is no significant difference in financial corporate reporting of trading and suspended organizations.
- $H_{0.2}$ There is no significant difference in financial reporting among various sector of the industry.
- $H_{0.3}$ There is no significant difference in organizational performance of trading and suspended organizations.
- $H_{0.4}$ There is no significant correlation between financial reporting and organizational performance indicators.
- $H_02$ There is no significant relationship between non-financial corporate reporting and organizational performance.
- $H_{0.1}$ There is no significant difference in non-financial corporate reporting of trading and suspended organizations.
- $H_{0.2}$ There is no significant difference in non-financial reporting among various sector of the industry.
- $H_{0.3}$ There is no significant correlation between non-financial reporting and organizational performance indicators.
- $H_03$ There is no significant relationship between voluntary corporate reporting and organizational performance.
- $H_{0.1}$ There is no significant difference in voluntary corporate reporting of trading and suspended organizations.
- $H_{0.2}$ There is no significant difference in voluntary reporting among various sector of the industry.
- $H_{0.3}$ There is no significant correlation between voluntary reporting and organizational performance indicators.
- $H_04$ There is no significant relationship between corporate reporting and market price of Share.
- $H_{0.5}$ There is no significant usefulness, adequacy and impact of information in regard to corporate reporting for stakeholders.
- $H_{0.1}$ There is no significant usefulness of corporate reporting for investors while making an investment decision.
- $H_{0.2}$ There is no significant adequacy of information provided in corporate reporting for investors.
- $H_{0.3}$ There is no significant impact of disclosures in corporate reporting on organizational performance in perception of secretarial staff.
A.8 Instrument and Analysis Pattern

For the first part of the study where in reporting practices of the companies were studied, standard available formats based on the guidelines of The Securities and Exchange board of India (SEBI) were adopted and were used for data collection on the mandatory financial and no-financial reporting / disclosures. For the purpose of voluntary reporting / disclosures the standard / general format based on SEBI guidelines was adopted and was further edited and extended based on the studies that were reviewed. Furthermore, to study the perception of various stakeholders two questionnaire were developed for the investors and the ministerial staff. The first schedule for investors comprised of three parts: wherein part - A dealt with the demographic information of the investor including gender, age qualification, experience in investing, and amount invested, part – B focused on usefulness of various parameters of reports for investment decisions and part – C majorly covered the aspects of adequacy, appropriateness, timeliness and credibility of the information provided in the corporate reports. The second questionnaire that was designed to study the perception of the secretarial staff included two parts: part A dealt with demographic information including gender, age, nature of membership and experience. Part B gathered perceptual responses in regard to the impact AND relationship of corporate reporting and organizational performance.

To assess the reliability of the measurements constructs internal consistency analysis was undertaken depicting the degree to which they indicate a common latent through Cronbach’s α-value and the derived values were above the commonly adopted standard for all the variables.

For the purpose of analysis IBM SPSS Statistics (Version 21.0) was used and simple arithmetic tools, statistical tools like frequencies, mean, standard deviation were generally used to tabulate and present the data and in specific independent sample t-test, analysis of variance (ANOVA) and correlation were used to analyze the information related to corporate reporting and its relationship with organizational performance. To study the relationship between market price of the share and the corporate reporting trend charts and independent sample t-test was applied. In order to study and analyze the perception of stakeholders, Chi-square analysis was applied to bring out the significant responses.
B. SUMMARY OF FINDINGS

B.1 Relationship between Financial Reporting Practices and Organizational Performance

- Based on the analysis, ‘disclosures in Balance Sheet’, ‘P & L account’ and ‘cash flow statement’, ‘Corporate social Responsibility’ were not found to be significantly different. This is due to the fact that these were mandatory financial reporting practices and companies have to disclose these parameters.

- Disclosures in ‘footnotes to the Accounts’, ‘Remuneration to Key Managerial personnel’ and ‘other disclosures’ were found to be significantly different between trading and suspended companies.

- Significant difference was found in the organizational performance between trading and suspended organizations with relation to ‘Return on Equity’, ‘Return on Capital Employed’ and ‘Return on Assets’.

- No significant difference were found in the reporting practices under mandatory financial disclosures between the various sectors under the study.

B.2 Impact of Non-Financial Reporting on Organizational Performance

- Based on analysis, difference in ‘Non-Financial Corporate Reporting’ between trading and suspended organizations were found to be significant with relation to ‘Board Composition’, ‘Board Meetings’, ‘board level Committees’, ‘Particulars of the Past AGMs’, ‘Means of Communication’, ‘Whistle Blower policy and Vigil Mechanism’, ‘General Shareholders’ Information’ and ‘compliance related and other disclosures’.

- No significant difference was found in sector wise Non-Financial Corporate Reporting

- Significant difference was found in the organizational performance between trading and suspended organizations with relation to ‘PBIT ratio’, ‘Net Profit ratio’, ‘Return on Equity’ and ‘Return on Assets’.
B.3 Extent of adoption and Impact of Voluntary Reporting on Organizational Performance

- Based on analysis, significant differences were found in ‘Voluntary Corporate Reporting’ between trading and suspended organizations, with relation to ‘General Strategic Disclosures’, ‘Forward Looking Information’, ‘Competition and Outlook’, ‘Human Capital’ and ‘Disclosures as per national Voluntary Guidelines’.

- No significant difference was found in sector wise ‘Voluntary Corporate Reporting’.

- Significant difference was found in the organizational performance between trading and suspended organizations with relation to ‘Return on Equity’ and ‘Return on Assets’.

B.4 Trend and relationship between Market Price of the share and corporate reporting

- Based on analysis, relationship between market price of shares and corporate reporting was found to be significantly different between the Pre and Post Reporting Period in case of ‘Bosch Ltd’, ‘Motherson Sumi Systems Ltd’., ‘Exide Industries Ltd.’, ‘Lupin Ltd.’, ‘Britannia Industries Ltd.’, ‘Glaxo SmithKline Consumer Healthcare Ltd.’, ‘SRF Ltd.’, ‘Arvind Ltd’, ‘DLF Ltd.’, ‘Oberoi Realty Ltd.’ and ‘Godrej Properties Ltd.’

- The values were not significantly different in case of ‘Cadila Healthcare Ltd.’, ‘Nestle India Ltd.’ and ‘Welspun India Ltd.’

B.5 Perceptions of various stakeholders on adequacy and usefulness of corporate reporting

Perception of Investors

- Based on analysis of the perception of investors with regard to their ‘Goals of Investment’, all the components were found to be useful. ‘Safety of Capital’ was ranked the highest followed by, ‘Investment opportunity’, ‘Steady Income’, ‘To beat Inflation’ and ‘Speculative Gains’ respectively.
Based on analysis of the perception of investors with regard to the ‘various sources of Information’ all the components were found to be useful. ‘Corporate Financial Reports’ was ranked the highest followed by ‘Investors own Analysis’, ‘Stock Market Statistics’, ‘Direct Information from the Company’, ‘Advice of Investment Service (specialists)’, ‘Advice of stock Brokers’ and ‘Market rumors and Adages’ respectively.

Based on analysis of the perception of investors with regard to the ‘various parts of Corporate Reports’ all the components were found to be useful. ‘Balance Sheet’ was ranked the highest, followed by ‘Cash Flow Statement’, Footnotes to the Financial Statements’, ‘Management Discussion & Analysis’, ‘Directors Report’, ‘Auditors Report’, ‘Statement of Stakeholders Equity’ and ‘Profit & Loss Statement’ respectively.

Based on analysis of the perception of investors with regard to ‘Financial Information’ all the components were found to be useful. ‘Capital structure’ was ranked the highest, followed by ‘Working Capital’, ‘Free Cash Flows’, ‘Dividend Per Share’, ‘Price to Book Value’ and ‘PEG ratio’ respectively.

Based on analysis of the perception of investors with regard to ‘Non-Financial Information’ all the components were found to be useful. ‘Company Profile’ was ranked the highest, followed by ‘Kind of management’, ‘Customer Satisfaction’ and ‘Corporate Governance’, ‘Investor Grievance Handling policy’, ‘Execution of Corporate Strategy’ and ‘Industrial Sector Sustainability’, ‘Quality of Processes’, ‘Indication of Employee Morale and Satisfaction’ and ‘Environmental & Social Policies’ respectively.

Based on analysis of the perception of investors with regard to ‘Additional Information’ all the components were found to be useful. ‘Brand Value’ was ranked the highest, followed by ‘Information about New Products & Services Introduced’, ‘Economic Value added Statement’, ‘Social Accounting’ and ‘Human Resource Accounting’ and ‘Environmental Accounting’ respectively.

Based on analysis of the perception of investors with regard to ‘Overall Information’ all the components were found to be useful. ‘To monitor the Investment’ was ranked the highest, followed by, ‘To Predict the Growth of the Company’, ‘To predict Expected Income & Earnings Per Share’, ‘To make
Comparison With Industry Performance’ and ‘To Help Assess the Liquidity of the Company’ respectively.

- Based on analysis of the perception of investors with regard to ‘Level of Disclosure’, it was found to be adequately reported in the Corporate Reports.

- Based on analysis of the perception of investors with regard to the ‘Type of Information’, all the components were found to be adequately reported in the Corporate Reports. ‘Financial Information’ was ranked the highest, followed by ‘Non - Financial Information’ and ‘Voluntarily Disclosed Information’ respectively.

- Based on analysis of the perception of investors with regard to ‘Timeliness’, it was found that the ‘Corporate Reports were made available as per norms’ and were also ‘available on the internet for faster access’.

- Based on analysis of the perception of investors with regard to ‘Credibility’, it was found that Corporate Reports ‘accurately reflect the financial progress and position of the company’ and ‘highlighted both positive and negative events occurring in the company’.

Perception of Secretarial Staff

- Based on analysis of the perception of Secretarial Staff with regard to ‘Impact of Financial Reporting on Performance of the Organizations’, the disclosure in ‘Balance Sheet’ was ranked the highest, followed by ‘Profit & Loss Statement’, ‘Cash Flow Statement’, ‘footnotes to Financial Statements’, ‘Other Financial Disclosures’, ‘Remuneration to Key Managerial Personnel’ and ‘Amount of Money Spent on Corporate Social Responsibility’ respectively.

- Based on analysis of the perception of Secretarial Staff with regard to ‘Impact of Non- Financial Reporting on Performance of the Organizations’, all the components had a significant impact and the disclosure in ‘Related Party Transactions’ was ranked the highest.

- Based on analysis of the perception of Secretarial Staff with regard to ‘Impact of Voluntary Reporting on Performance of the Organizations’, all the components had a significant impact and the disclosure in ‘Competition and Outlook’ was ranked the highest.
Based on analysis of the perception of Secretarial Staff it was found that there existed a significant relationship between Corporate Reporting and Market Price of the share.

C. DISCUSSIONS AND RECOMMENDATIONS

Taking into consideration the major observations from the analysis and based on the findings of the study it may be said that the reporting norms and practices at current state are quite satisfactory in the industry. In general all the trading and top performing companies are reporting well on all the aspects including not only the mandatory financial and non-financial disclosures but also on the voluntary disclosures. Whereas companied that have fallen short on compliance and performance have been rightly suspended and have significant differences from the trading ones on the non-financial and voluntary disclosures. On the other aspect of perception of stakeholders, the investors were observed to be fairly satisfied from the current practices and found most of the aspects useful, and were also satisfied with the adequacy, timeliness and credibility of the reports. Even the secretarial staff’s perception is also positive regarding all the aspects of reporting.

However, despite significant scores of trading companies on almost all the aspects there are certain areas where they can still improve and since investors find these reports as useful and credible, thus adding and improving on all the aspects shall only increase the goodwill of the companies. Some of the areas where improvement can be made includes aspects related to ‘nomination and remuneration committee’, ‘corporate social responsibility’, ‘means of communication’, under the non-financial disclosures. Also low scores were observed on all the aspects of voluntary disclosures including ‘general strategic disclosures’, ‘forward looking information’, ‘competition and outlook’, ‘human capital’ and ‘general guidelines’. Though the low scores on voluntary disclosures is justifiable, since its optional but these disclosures have been observed to have a significant relationship and reflection on the organizations performance with significant impact on ‘PBIT ratio’, ‘net profit ratio’, ‘return on capital employed’, ‘return on assets’ and ‘return on equity’.

Also, since the investor consider these reports as a credible and useful source of information for reaching their respective investment decisions that is also noted with
a significant impact on market prices of the shares, the companies may be well advised to furnish as much as details possible whether the aspect is mandatory or voluntary, in order to guide investor in making a more informed decision.

D. LIMITATIONS OF THE STUDY

It is intrinsic to the research investigations in general to get constrained by some limitations, and it is important to bring these constraints to observation of various stakeholders. Likewise, it may be noted that the present study during the course of the investigations and the whole research process had its own limitations and the same may be kept in mind by future researchers while conducting similar research or these may also be transformed into opportunities for further and future analysis.

The study was just studying the aspect of corporate reporting and not compliance and included the aspects of mandatory reporting of financial and non-financial components. These aspects are mandatory for the companies to report irrespective of the level of performance and status for the listed companies. So to identify variations and differences just on the basis of reporting did not provide any significant results.

Since the major part of the study was dealing with the interpretation and data mining from qualitative secondary data, and converting the same into quantitative information for the purpose of analysis, there is high probability of the results getting influenced by the personal biasness of the scholar. However, a lot of effort was put into removing this effect, but still there might exist a component of personal understanding and thought process while transforming and interpreting data while quantifying the qualitative data.

Sampling for the purpose of this study was a major constraint, and specifically in regard to the study of perception of various stakeholders. Though a lot of effort was put into neutralize the limitations in this regard but still justifying the same to the highest extent was still not possible. Firstly confining the sample of investors was a challenge and certain considerations were to be applied to arrive at a confined number else it would have been an infinite universe. Further, identifying and approaching the right and suitable respondents in terms of secretarial staff was a challenge and the scholar had to depend on the other respondents for references that somehow might have dilated the outcomes of the study.
Further, the small size of sample in case of study of perception of stakeholders may also be considered as a limitation, as generalizing the notions and findings on the basis of such small sample would not be fair for representation of such huge universe of potential respondents.

E. EXPECTED CONTRIBUTION FROM THE STUDY

The contribution from the study in terms of highlighting the relationship between corporate reporting practices and organizational performance shall be of great interest to a number of stakeholders including the sampled companies, investors, secretarial staff, researchers, concerning regulatory bodies and other who are directly or indirectly connected to these facets of the industry. Beginning with the companies, this study elaborates a detailed analysis of corporate reporting and highlight the extent to which the organizations are reporting on all the parameters including the mandatory financial and non-financial and voluntary disclosures. The extent of reporting also depicts the transparency, performance and intent of the organization and thus the sampled organizations in specific and others in general may use this comprehensive research work towards improving on the reporting aspects. In regard to the investors, since this study investigates their perception and also the level of relationship between reporting and performance, so by taking into consideration this report they can have a better clarity on multi-facets of the company based on their reporting. Also the relationship between market price and reporting is discussed under this report, and shall be of interest of investors to consider the timing of investment decision. Secretarial staff who are practicing in this area can refer to it as a handbook document, specifically on aspect of voluntary reporting, since this study extracts and elaborates this dimension on basis of extensive review of literature. Concerning regulatory bodies can look into the usefulness and adequacy aspect of the corporate reporting, wherein this research studies and discuss the perception of investors on this aspect.

Finally, the findings of this research shall be of interest to the fraternity of researchers and academicians wherein they can refer to this thesis as a comprehensive document in regard to various dimensions of corporate reporting, investment decisions, secretarial perspective and organizational performance.
F. FUTURE RESEARCH AVENUES

During the course of this study there were numerous aspects that came into notice of the researcher, and they could not be inculcated in the present study due to various constraints. The first one is the aspect of compliance and its impact on reporting and performance of the organization, since, the present study was confined only to study the reporting aspect irrespective of the compliance or non-compliance, it would really make an interesting and more comprehensive research if the aspect of compliance can be studied and tested on the presented model. Further more detailed and comprehensive studies may be taken up by the researchers on individual components of this study including a detailed analysis of voluntary practices, market price and reporting along with compliance, perception of stakeholders, reporting and investment decisions are some of the suggested fields on which future researchers can take up detailed work.

The future researchers can also take into consideration the limitations of the present study and transform them into opportunities, the most critical one being a larger sample size on all the dimensions. Another one would be a detailed study on compliance and related aspects.

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