

Impact Factor (GIF:2017) 2.7342

ISSN 0972-1754

VOLUME 23 • NUMBER 2 • December 2019

**INDIAN
ACCOUNTING
REVIEW**



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December 2019

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Experiments on Microfinance in India – Contributions by Nobel Laureates Abhijit Banerjee and Esther Duflo: A Synoptic and Normative Study

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ABSTRACT

After Abhijit Banerjee, Esther Duflo and Michael Kremer were awarded the Nobel Prize for Economic Sciences in 2019, substantial interest has grown about their contributions to Developmental Economics and Microfinance. This article focuses on the experiments of Banerjee and Duflo carried out in India based on several microfinance institutions, phased over a long period of time between base line surveys and end line surveys and tries to bring out the debates over Randomised Control Trial research methods used by these two laureates.

Key words: Microfinance, Impact, Randomised Control Trials, Experiments

Business Risk : A Study on Indian Manufacturing Companies (2004-05 – 2017-18)

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ABSTRACT

The present paper makes an attempt to analyze the company-specific components of business risk, such as, liquidity risk, cost structure risk and capital productivity risk during the period 2004-05 to 2017-18. The study was based on one hundred companies which were selected by taking ten companies from each of the ten selected industries in the Indian manufacturing sector. The company-specific components of business risk associated with the selected companies were measured by using Gini's coefficient of concentration. Principal Component Analysis was applied in constructing the 'business risk index' (BRI) by taking into account the three company-specific components of business risk. Simple regression model was adopted to investigate the effect of BRI on the return measured in terms of return on capital employed of the selected industries. The study observed that Cement, Pharmaceutical, Fertilizer, Tyre manufacturing and Chemicals industries have kept their risk profiles lower as compared to the Indian Manufacturing industry average in all the dimensions of BRI. The study also revealed that high business risk was well compensated by high return in the selected industries during the period under study.

Key words : Business risk, Liquidity risk, Capital productivity risk, Cost structure risk, Business risk index, Return

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Corporate Social Responsibility Reporting : An Indian Perspective*

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ABSTRACT

Business and society are mutually dependent as the society creates business and the business caters to the needs of the society. In management of business, it is well recognized that integrating social, environmental and ethical responsibilities into the governance of business ensures their long term success, competitiveness and sustainability. The evolution of CSR Reporting and its present status has been presented in this paper. An empirical analysis of CSR Reporting in the context of Companies Act,2013 and prior to the passing of the Act has also been made. CSR Reporting has now been made mandatory by Companies Act,2013 and the Rules made thereunder.

Key words : Corporate Social Responsibility, CSR Reporting, Companies Act, 2013, GRI, ESG, Integrated Reporting

*This is the revised version of G. D. Roy Memorial Lecture (2019).

Effect of Shareholding Pattern on Financial Performance: An Empirical Study of Pharmaceutical Companies in India

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ABSTRACT

Shareholding pattern of a firm is considered to be one of the important determinants of firm performance. Indian pharmaceutical industry has been witnessing significant growth over last two decades. This paper aims to examine how different categories of shareholders influence financial performance of a firm. The study uses a data set of 17 pharmaceutical companies listed in Bombay Stock Exchange (BSE) of India for the period from 2001 to 2015. Empirical analyses using panel data regression models shed light on the relation between ownership structure and firm performance. The results indicate that shareholding pattern of pharmaceutical companies in India has no significant impact on its financial performance.

Key words: Shareholding pattern, Firm performance, Pharmaceutical industry
India, Panel Data Regression

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Event Analysis of Carbon Disclosure Project India : A Step Towards Environmental Sustainability

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ABSTRACT

Currently worldwide economies consider that climate change is probably to impact their business and financial performance, market and investors. Now companies are increasingly disclosing carbon-related information. Carbon Disclosure Project (CDP) is started in 2000 with the aim of encouraging firms to measure and disclose their own greenhouse gas emissions, climate change risks, strategies, and actions. Since 2007 a number of Indian companies listed on the BSE 200 have joined the voluntary global CDP. In the present study, Event Study Methodology was used to find out whether carbon disclosure related to share price movements of sampled companies. It was concluded that investors cannot take advantage of Carbon Disclosure Project Report announcement.

Key words : Carbon Disclosure, CDP, Event Study, AAR, CAAR

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INDIAN ACCOUNTING REVIEW

Statement of Policy, Requirements & Guidelines

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INDIAN ACCOUNTING REVIEW

[Vol. 23, No. 2, December 2019]

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Printed by Dr. Dhrubaranjan Dandapat, on behalf of IAA Research Foundation,
at Rohini Nandan, 19/2, Radhanath Mallick Lane, Kolkata - 700 012
(Ph.: 9231508276)