

Experiential Analysis Of Stakeholders Perception On Voluntary Corporate Disclosure Practices

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ABSTRACT

Voluntary disclosure of information is presentation of excess of information in addition to mandatory disclosure in form of management forecast analysis, press release, posts on company website, conferences proceedings etc. In the present paper we have tried to examine the stakeholder's perception on quality of annual reports. For this purpose the information is derived through well-structured questionnaire from 260 respondents. Descriptive statistics was applied and It was found that majority of the respondents prefer published Annual Reports of companies for information. We have also found that the stakeholders prefer annual reports for the purpose of analyzing the financial performance of the companies and investment decision making. The stakeholder's perception on quality of Annual Reports resulted that understandability, comparability and predictability are the most common features which have been found in the annual reports. The study recommended that the quality of annual reports is required to be enhanced in terms of reliability, relevance of information, timeliness and consistency, which can further serve the purpose of stakeholders to refer the annual reports for analyzing the financial performance of the companies and investment decision making.

KEYWORDS: Stakeholders perception, management forecast analysis reliability, relevance, timeliness, consistency.

INTRODUCTION

Indian capital market is experiencing the boom and bane time and again. The COVID -19 lockdown had adversely affected the Economy, still Indian market has the potential to grow amongst the other developing countries. The gap between the companies and the stakeholders is one of the major cause for the ineffective functioning of the capital market. The disclosure practices of the companies are still reviewed to be poor as compared with the other countries. Corporate disclosure can bridge this gap to a certain extent if considered thoroughly by the companies. It involves the communication of information related to the financial and non-financial health of the companies through a wide range of communication channels. This disclosure is governed and prepared under the instructions of the Board of Directors. The managers take the advantage of the most informed persons within the companies. Thus the quality and quantity of information is controlled internally. The updated rules and guidelines

have been imposed on the corporates to present transparent and fair information to the stakeholders, which had addressed the issue but not fully.

There is an information asymmetry found in the information disclosure made by the companies, along with that companies even may conceal the required information. This may lead to chaos in the market among the investors, suppliers, employees and other stakeholders. The empirical analysis in this paper is on the basis of primary data information derived through well-structured questionnaire.

CORPORATE DISCLOSURE PRACTICES

The worst economic conditions are abhorrent for the Indian corporate sector. Industry wise and sector wise, both ways the corporate sector is facing challenges to cope up with the burning issues of falling economy. Such severe environment of the economy is adverse to the expectations of investors in the economy, additionally the chain of corporate frauds is disturbing the process of getting recovered from the severe bad growth rates, to a greater extent. Quoting the cases of Enron (2001), World com (2002), Tyco international (2002), Anderson (2002), Vivendi (2002), Satyam (2009), Maxwell communications (1991), BCCI (1991), Lehman brothers (2008), Olympus (2011), and an endless list of many more. Curbing the fraudulent cases of the corporate sector along with the policy measure for the social justice is the need of hour. The effective Corporate Governance is one of the measures, which can handle many other related issues. The good governed corporates can feed the corporate sector with well governed industries, which can further lead to well governed industrial sectors leading a governed and controlled economy for a developing country like India. Corporate disclosure practices are a proxy for management culture and behavior, which is addressed by corporate governance.

CORPORATE DISCLOSURE

Corporate disclosure involves the communication of information related to the financial and non-financial health of the company to the various users of such information using a wide range of communication channels. The corporate reporting is governed and prepared under the instructions of the BoDs. The managers take the advantage of the most informed persons in the organization. What they are revealing to the outside world generally depend on their discretion. Thus the quality and quantity of information is controlled by the management. Time and again, a number of rules and regulations have been imposed on the corporates to provide transparent and fair information to the users of this information, which had addressed the issue but not fully.

FTI (Forensic Technologies International) report on Disclosure Index is describing the status of the corporate disclosure. On one hand the report is stating that five Indian companies have scored 10/10 in Composite Disclosure Score conducted in Asia but on other hand an important issue raised is that Zee entertainment, which is one of these ten companies that has been fined with Rs. 9 Lakhs for disclosure lapses. There is a big question mark on the disclosure practices of Indian Corporate Sector.

STAKEHOLDERS SEEKING CORPORATE DISCLOSURE

The corporate disclosure bridges the communication gap between the corporate and the stakeholders of the corporate. The various stakeholders have different information requirements for the different purposes. Accordingly they use different sources of information.

Table 1: Information Needs of Various Users of Corporate Disclosure

Category of Users	Information Needs
Investors	To assess the dividend payable ability of the corporate
Financial Analysts	To compare the performance of the corporates
Employees	To assess the ability to pay remuneration, promotional benefits, retirement benefits and employment opportunities
Lenders	To assess the ability of corporates to pay the debts when due.
Customers	Prolonged existence of the company with financial profitability
Suppliers	Interested in the growth of the company
General Public	Contribution of corporate to the society following the principle of social justice
Government and regulatory Authorities	Assessing the financial health and growth of the company.

(Source: Research compilation)

The literature has different opinions on the purposes and sources of information. A question arising presently is that is there any change in these purposes and sources of information over the period of time. This study will also explore this query through the primary analysis.

APPROPRIATE TIME TO DISCLOSE THE INFORMATION

The users of the corporate information seek relevant and reliable information disclosure in a timely manner. Thus to acquaint the thrust of the users of corporate information, the corporates must provide information before it loses its relevance and acquaintance for them. It must be considered with due care and diligence that any kind of delay in the disclosure may cause further delay in the decision making causing certain other issues.

Hence the prompt and early communication of the corporate information is expected when it is materially influencing the decision making of the constituents of the corporate sector and the economy at large. Any delay in the reporting the information may invite the uncertainty in the minds of the investors and the financial analysts which may cause a great hassle in the market and society.

QUANTUM OF CORPORATE INFORMATION TO BE DISCLOSED

How much is the amount of information which should be disclosed to meet the requirements of all the stakeholders is a question to be addressed well. The quantum of such information also influences the economic decision making. The basic element of the quantity of information to be reported is largely dependent upon a precarious assessment of the information requirements which are pertinent to a particular set of users (Vargheses and Sreeranganadhan, 2010). The International Accounting Standard committee (IASC) has recognized that all substantial information should be disclosed, that is essential to make the financial statements vibrant and understandable. These days, when the mandatory information alone cannot serve the information requirements of the users, additional information disclosed voluntarily raises another question on the quantum of the information disclosure. The corporate governance theories in context to the corporate disclosure also advocate that more disclosure of information may invite number of benefits over and above the mandatory requirements of corporate reporting.

REVIEW OF LITERATURE

The vast literature on Corporate Disclosure Practices raises the question, whether the disclosure practices satisfy the requirements of the users from these annual reports. Have the users found the information, which they were looking for? Were they satisfied with the quality of the content of the published yearly reports? Will the stakeholders be interested to see the same content of information in the published yearly reports next time? The questions have been raised on the quality, relevance and importance of information providing by the firms in their published yearly reports on the mandatory as well as voluntary basis. To explore these research questions, analysis of literature was made. This section will cover the past research work on the perception of the stakeholders and will identify the gap in the literature to guide further on the primary data analysis.

(Abdelkarim, 2009) The article was all about the research on the opinion of the investors in regard to the monetary statement of the firms registered on PSE. The study was conducted under an empirical research to explore the observation of stakeholders regarding the accessibility, competence, and practicality of facts disclosed in the monetary statements of firms registered on the PSE. Result of the research revealed that the user's perceptions towards the financial information provided by the companies are inadequate, insufficient and irrelevant for making investment decision, as the companies listed in PSE did not confirm with least revelation supplies of universal standard.

(Shaheen, 2010) The primary objective of this study was to investigate the perception of users regarding the availability, adequacy, relevance, and usefulness of information disclosed in the financial reports of companies listed at the PSE. A survey methodology was employed where a well-designed questionnaire was distributed to a selected sample of information users, i.e. individual and institutional users, analysts, academicians, and intermediaries. Results of the study demonstrated that the perception of users that reported information, which was available was neither adequate nor relevant to investment decisions. In particular, relevant information was not sufficient, as companies listed did not comply with minimum disclosure requirements as per the international standards. In addition, it demonstrated the incredibility and timeliness of information, which leads to a lack of information, being impounded into prices consistent with

Al-Fayoumi (2003) results. Results of the study demonstrated that rejection of the Weak Form Efficient in this market [Al-gareh (2001), Alfayoumi (2003), Abuzarour (2005), Abdel-Karim & Shaheen (2009)] was due in part to the perception of users that reported information available was not adequate or relevant to investment decisions. It also contributed to illiquidity, low volume of trading, weakness confidence, and perceived risks of the market. Therefore, the study presented a number of recommendations that might help in improving the efficiency of the PSE, which in turn might increase its role in the Palestinian economy as Whole.

(Hutaibat, 2011) This study seeks to explore the perceptions of users regarding Internet financial reporting (IFR) practices in Jordan. A questionnaire survey of 200 potential participants of four different user-groups was conducted to investigate their perceptions regarding the usefulness and usability of IFR as a source of information in Jordan. 114 received responses were analysed using the Kruskal-Wallis test, and the analysis revealed that there is a strong agreement among the respondents on IFR being useable, accessible and available any time and from anywhere as a source of information for users' decision making in Jordan. However, users' perceptions regarding usefulness of IFR in decision making significantly differed. They addressed economic factors such as the cost of having Internet access and the cost of printing accounting information as two concerns regarding the future of IFR in Jordan. They also clarified that the traditional copy of the annual report was still the preferable source of accounting information for Jordanian users.

(Khan, and Omar 2013) in their paper explores the observation of auditors in Malaysia regarding vital items of content and presentation in interim financial reporting. In their paper they found that five utmost imperative statement of revelation are from profit and loss account of the year, profit and loss account of past years, cash flow statement of the year, notes to profit and loss account and balance sheet of current year and balance sheet of previous year. They also conclude the perception of auditors and rank them based on the importance of the items presented in the content disclosure of IFR.

(Nyor, 2013) in his paper explored the perception of users of annual report of Nigerian firms towards understandability, significance, reliability, comparability, trustworthiness, neutrality and comprehensiveness of accounting information, he concluded that accounting information of such firms are moderate in nature and they (preparers of annual report) should thrive to achieve higher financial reporting quality.

(Shubhendu & Pramod, 2013) Shubhendu & Pramod seeking the significance of the website reporting have tried to analyze the perception of stakeholders in this regard. The essential goal of this examination was to assess partner's and client's observation towards the CFR on web. A review approach was used including an example of 110 partners or clients, i.e., individual and institutional financial specialists, examiners and academicians. A survey has been circulated to the respondents through electronic media and their reactions are appropriately recorded and examined. The results shows that web is a practical medium that is reachable to each individual. Minor organizations can likewise utilize this mode and tactic their prospective financial specialists. Respondents additionally imagine that web revealing is solid and give data in well-timed routine.

(Siang, 2013) The purpose of this study was to identify the most useful components of internet financial reporting (IFR) in Malaysia firms from an IFR's user point of view. This study used the public investor from online forum in Malaysia. The components of IFR were compacted to 50 items only to represent the components in IFR for the purpose of optimization. The result of this study has indicated that the top five components user's reading preference and usage are: (1) annual report, (2) dividend, (3) current share price, (4) balance sheet and (5) historical share price. On the contrary, the features deemed unnecessary in IFR consisted of: (1) audio-visual (video) recording of meeting, (2) multilingual, (3) external links, (4) site map, and (5) corporate calendar. The researcher extended prior research by conducting a research regarding the user's opinion on each of the components in IFR. The component of IFR in this research was summarized from the multiple previous researches conducted regarding IFR.

(Almutawa, 2014) This study explored users' perceptions of the proposed items for improving the quality of voluntary disclosure in annual reports. A self-administrated questionnaire was distributed to individuals representing the four groups identified. Descriptive measures, the Kruskal-Wallis (K-W) test, and the Mann-Whitney (M-W) test were used to achieve the study objectives. The study findings showed that most of participants strongly agree that annual reports of Kuwaiti listed companies were an important primary source of information in their decision making; however, the timeliness in publishing annual reports was becoming a matter of great concern. Most respondents did not feel satisfied with the quantity and quality of information provided in CARs and indicated a desire for more information. The findings of this study offered an assessment of the current usefulness of Kuwaiti CARs and provided recommendations that could improve the quality of Kuwaiti CARs.

(Sinha, 2014) Sinha attempted to study availability, adequacy and usefulness of information disclosed by the companies listed on the stock exchange and investor's perception about disclosure practices. For this study, investors have been classified into two categories – active and ordinary investors. The corporate disclosure practices adopted by the company and the satisfaction of investors of both categories is tested by using chi-square test on the following parameters viz. disclosure of Information in directors' report, disclosure of risk exposure of the company, disclosure of information required for quoting a price tag in book building process and disclosure of information in the annual report and corporate governance report. It was found that as the awareness level of the investors was increasing, their expectations from the companies were also rising, demanding more information that needed to be disclosed.

(Idris et. al., 2015) In this paper, an attempt was made to investigate a particular group of investors – namely individual investors' perceptions of corporate annual reports in Qatar. A total of 400 surveys were distributed to individual investors based in Qatar. Surveys were distributed over a period of two months. The response rate was 89% (356 returned surveys), with 313 usable questionnaires (78.25%). Findings showed that annual reports represent a very important source of information for investors. Almost 67% of the respondents see annual reports as a very important source of information to assess company's performance and for investment decisions. Compared to other company's sources of information annual reports rank first. Similar to Al-Attar and Al-Khater (2008), investors ranked the set of financial statements on the top. The balance sheet was ranked first. Income statement and cash flow statement were also important and ranked receptively second and third. Auditor's report came in the fourth

position. The results of this study comfort well the idea that the financial reporting environment in Qatar was evolving at the image of the country.

(Joshi, 2015) The study was conducted to provide empirical evidence on the perspective of various stakeholders on voluntary corporate disclosures in the annual report. To do so, ten user groups were surveyed through a questionnaire about the purpose, usefulness and importance of voluntary disclosures made in the Annual Report. Analysis reveals that all the various stakeholders believed that the primary purpose of voluntary disclosures is to reduce information asymmetry and increase investors' confidence. Majority of the stakeholders considered voluntary 'financial disclosures' as most important followed by 'forward-looking information.' In terms of usefulness, large majority of the stakeholders believed that voluntary disclosures are useful in evaluating the company's performance and comparing it with other companies. Also, they were of the opinion that voluntary disclosures were useful in taking informed investment decisions and monitoring their investments. Few of them agreed that the voluntary disclosures were useful in predicting the expected income and earnings per share with certainty. Findings reveal that stakeholders consider voluntary disclosures important and useful for evaluating the company's performance.

(Khan, 2015) This research attempted to investigate the current state of the level of internet financial reporting (IFR) in Bursa Malaysia. The items in the dimensions were based on the perspective of overall preparers and users. Based on the research findings, the level of IFR started from 56.43 to 87.14 per cent. These outcomes make an incremental contribution to the existing literature by providing useful insights into the knowledge of current practice of IFR especially for emerging markets like Malaysia. The implications of the research findings and future research have been discussed. This study has also helped to inform the authorities and interested parties such as government, regulators, investors, stakeholders, policy makers, standard setters, corporations, market participants, management and other institutions about the demand of the online information disclosed by the companies.

(Gakhar, 2016) The present study aims to look at the perception of stakeholders on the quality of the websites. To assess the quality of website in this study the researchers have taken websites of BSE 200 Index companies and studied them on a scale consisting of 37 items relating to technological aspects of the website. To analyse the perceptions of stakeholders on quality of website content they have administered a structured questionnaire with 255 respondents. Analysis shows that quality of website content is good as revealed by 57.30% respondents; 54.90% of the respondents consider that only information content available on website is good and 52.90% believe that reliability of website information is average. The chi-square result of stakeholder groups is insignificant, which shows that they have similar perception that quality of website content is good. Quality of website content depends upon two main factors as revealed by factor analysis, that is, characteristics of website content and accessibility of information.

The vast literature on the stakeholders' perception on the voluntary corporate disclosure revealed that the response of the stakeholders' was not similar. They gave importance to both the quantity and quality of information disclosed in the annual reports. Moreover they considered the information provided in the annual reports, relevant for their decision making. But not a single study was found in the Indian context which worked on the perception of the stakeholders from the quantitative perspective. Hence the present study was aimed at

exploration of the perception of stakeholders' about the qualitative as well as the quantitative aspects of voluntary corporate disclosure in the Indian Corporate Sector.

OBJECTIVES OF STUDY

The present study has been conducted with the objectives of analyzing the quality of the annual reports in the perception of the stakeholders. For this purpose following objectives were formulated.

1. What are the preferred sources of Voluntary corporate disclosure?
2. What is the purpose of the investment?
3. What is perception of stakeholder for the quality of VCD?

RESEARCH METHODOLOGY

For the empirical analysis of the present study a primary analysis was conducted.

The primary analysis moves around the exploration of the perception of the stakeholders of the corporations, keeping in mind that they are the prime users of the corporate information through the annual reports disclosure. The analysis covers the study of source of information which is generally preferred by the stakeholders, the purpose of referring the particular source of information and perception of stakeholders on the quality of Voluntary Corporate Disclosure. A survey analysis was conducted for this purpose to gauge the perception of the stakeholders of companies towards the voluntary corporate disclosure practices. The questionnaire was prepared with support of the studies conducted by *Ogutujohnodiyo, Rarinki grace jagongo, Mishari m alfraih and Sebi investor survey 2017 onwards.*

Scale Development

The survey instrument has been established to judge the perception of stakeholders, who are the users of corporate information. The scale used by previous researchers to check the perception of stakeholder on the quality of the annual reports, was further improved by adding items of voluntary corporate disclosure from the VCDI. The demographic details were asked from the respondents of the study to understand the perception in a profundity. Thus the instrument was helpful in analyzing both the qualitative and quantitative perception of the respondents on the corporate disclosure. The structured questionnaire involves the close ended questions, which was divided in three main parts, where first part was comprised of the basic questions on the demographic features of the respondents. Part second comprised of questions on the preferred source of information and purpose of investment. Part III was main part covering the questions on perception of respondents on the quality of voluntary corporate disclosure.

Respondents of the Survey

The study focuses on the users of the published annual reports of the companies. In conceptual part of the study, it has been discussed that there are internal as well as the external users of the annual reports of the companies. For the purpose of the study, considering the convenience in tapping the users of the annual reports, following categories of the stakeholders has been consulted as the respondents of the study.

Financial Analysts: The financial analysts comprising CA, CS, CFA etc. who use published annual reports of the companies for various purposes have been considered. They were contacted online with help of social media and personal contacts.

Investors: The individual investors were considered in the study, to know about their views on the information disclosure in the annual report. The institutional investors have not been specifically considered due to the reason that it would lead to duplication, as in case of institutional investors the annual reports are referred by their financial analysts, again being the respondents of first category. The individual investors were contacted personally and through social and professional media.

Academicians: The academicians using the annual reports for the purpose of understanding of their subject and for their research were contacted personally to give views on the corporate disclosure through the annual reports.

General Public: The unnoticed users of the annual reports that are the people in the general public, who use annual reports to take information on the financial performance of the companies, corporate social responsibility, environment related information etc. were also contacted personally to get the response of the survey.

Employees: The very important stakeholders of the corporate sector could never have been missed, the employees of the companies. Although it was a tough job to find the employees, who were the users of annual reports in a real sense. But the try again and again efforts made it possible to get a response from the employees. For the purpose, personal visits were made and the HR managers were connected over phone calls to provide the response.

Customers: The customers of the companies, who are interested to know about the performance and sustainability of the companies, were also contacted personally to get a response. The main hindrance in the process was to find out people in this category, who must have the knowledge of accounts and other commercial details being provided in the annual reports. Mostly people from non-commerce background were not able to respond on a number of items.

Lenders: These are the internal users of the annual reports, who again through the professionals' analyze the annual reports and financial statements of the companies before granting a loan. Hard efforts went futile in this category as we were not able to get a good response, because of the tight schedule of the Lenders and the unapproachability. Thus this category was dropped from the final response.

SURVEY PROCEDURE

Before the final questionnaire would be distributed to the respondents, a pre-test was conducted to ensure the questionnaire is reliable and the research can be successfully conducted with validity and accuracy. The aim of the pilot test is to identify and eliminate ambiguities, to improve the readability of the questions, to make sure that the measurement scales are correctly used and to ensure the questionnaire is properly structured. A total of 50 questionnaires were distributed amongst the academicians, investors, financial analysts, bankers, employees, customers and general public. With a 60 percent response rate, around 29 questionnaires on a hard copy were received back. The result for the reliability test indicates that all items measured in the questionnaire are highly reliable with Cronbach's Alpha of 0.954, which is considered good for the instrument used in this study. Therefore, the questionnaire developed in this study is reliable and can be distributed to the respondents.

Sampling Design: Purposive sampling method was applied to select the sample for the study. According to Mugenda and Mugenda (2003) purposive sampling is a sampling technique that allows a researcher to get cases that have the required information with respect to the objectives of the study. The researcher sampled 50 respondents from each of the category of the stakeholders comprising financial analysts, investors, employees, lenders, customers, academicians and general public. It was expected that 350 responses will be collected in total. But after dropping the category of lenders, the final sample consists of 260 responses.

Statistical Techniques Used for Primary Data Analysis

The primary data analysis has been conducted with an objective to assess the stakeholders perception on the extent of voluntary corporate disclosure. Data collected from the field were edited and coded. The data were fed in the computer and were analyzed using SPSS-20 software and the statistical techniques. Statistical methods are mathematical technique used to facilitate the interpretation of numerical data secured from the samples. Hence researcher has used frequency distribution, percentage, one-way ANOVA, F test, chi-square test, man Whitney and Kruskal Wallis rank tests in the research. This has been discussed in detail in the following discussion.

Descriptive Statistics for Demographic Profile of Respondents: The frequencies tab has been used in SPSS to check the demographic profile of the respondents. Further on the basis of the overall response of the respondents the sources of corporate information, purpose of referring the annual reports of the companies, perception on the quality of the annual reports of the companies and stakeholders perception on the sub categories of voluntary corporate disclosure has been ranked using the mean responses in Excel and SPSS.

Specification Tests

The primary data analysis has been conducted with help of MS-Excel and SPSS (version 20). The techniques applied comprised of parametric as well non-parametric test. Before application of the techniques, the required assumptions of data set has been cross checked by applying normality test and homogeneity of variance test in SPSS, which concluded the normality of data set and homogeneous variance of the variables.

RESULTS AND DISCUSSION

I DEMOGRAPHIC PROFILE OF RESPONDENTS

As discussed earlier a corporate entity cannot survive in the vacuum, it needs support of all the elements of the surrounding environments, those may be the internal and the external stakeholders of the company, who will be affected by the company, hence will be interested in the affairs of the company. In what way they will get informed by the company, this is the whole crux of the chapter under study. An effort has been made to cover an extensive array of the stakeholders to understand the perception of these elements of the Indian Corporate Sector. The following table describes the demographic profile of the stakeholders, who have been questioned on the concerned issues of the study.

Table 2: Presentation of Demographic Profile of Respondents

Variable	Specification	Frequency	Percent	Valid Percent	Cumulative Percent
Gender	Male	159	61.2	61.2	61.2
	Female	101	38.8	38.8	100.0
Age	Below 25	87	33.5	33.5	33.5
	25-35	112	43.1	43.1	76.5
	36-45	52	20.0	20.0	96.5
	46-55	5	1.9	1.9	98.5
	56 and above	4	1.5	1.5	100.0
Qualification	School Level	7	2.7	2.7	2.7
	Graduate	45	17.3	17.3	20.0
	post Graduate	121	46.6	46.5	66.5
	Professional	76	29.2	29.2	95.8
	Others	11	4.2	4.2	100.0
Occupation	Business	20	7.7	7.7	7.7
	Public Employed	45	17.3	17.3	25.0
	Private Employed	91	35.0	35.0	60.0
	Government	52	20.0	20.0	80.0
	Unemployed	20	7.8	7.8	87.9
	Retired	1	.4	.4	88.1
	Others	31	11.9	11.9	100.0
Category of Stakeholders	Financial Analysts	55	21.2	21.2	21.2
	Employees	36	13.8	13.8	35.0
	Investors	28	10.8	10.8	45.8
	General Public	55	21.2	21.2	66.9
	Academicians	49	18.8	18.8	85.8
	Customers	37	14.2	14.2	100.0
Investment Experience	Yes	157	60.4	60.4	60.4
	No	103	39.6	39.6	100.0
No. Investment Years	Nil	32	12.3	12.3	12.3
	Below 3	168	64.6	64.6	76.9
	3-5	19	7.3	7.3	84.2
	5-7	13	5.0	5.0	89.2
	7-9	6	2.3	2.3	91.5

	9 And Above	22	8.5	8.5	100.0
Size of Investment	Nil	37	14.2	14.2	14.2
	Below 1,00,000	155	59.6	59.6	73.8
	1,00,000-4,99,999	39	15.0	15.0	88.8
	5,00,000-9,99,999	8	3.1	3.1	91.9
	10,00,000 and above	21	8.1	8.1	100.0

(Source: Research compilation)

The table 2 on the demographic features of the respondents reveals that out of total number of respondents 159 numbers of respondents are male and rest of them are female, stating that the majority of the respondents are male. Mainstream respondents that is 43 percent are from the age group of 25 to 35 years. And 34 percent of them are from the age category of 25 years and below. 47 percent of the respondents are post graduates of the field and 29 percent of them are the professionally qualified respondents, rest of them are either graduates or are covered in the category of the other respondents. Most of them are employed, when it comes to the occupation of the respondents. Most of them are privately employed that is 35 percent, around 20 percent of them are either public employed or government employed. At around 21 percent of the respondents are from the category of financial analysts that are the CA, CS, CFA and professional experts of the field who use yearly published reports of the companies for various kind of the investigation. Same number of respondents are from the category of general public, who use the annual reports for various purposes. Investors and customers who use annual reports are around 14 percent of the total respondents individually. Almost 19 percent of the respondents are from the category of the academicians who use the annual reports for the deep understanding of the subject of CG as well as for the purpose of investments etc. As per the data there 60 percent of the respondents who have an investment experience in the Indian capital market. 65 percent of them have investment experience below 3 years. Majority of them invest initially with a low investment of Rs. 100000 and below.

SOURCE OF INFORMATION, PURPOSE OF INVESTMENT, QUALITY OF INFORMATION DISCLOSURE

The stakeholders of the company are interested in the financial as well as the non-financial health of the company with a keen interest to the operational and managerial efficiency of the company. Depending on the requirement of the information, they refer number of sources which are available for the corporate information. In the second question of the questionnaire, the question has been raised to the respondents to give their opinion on the most preferred source of corporate information. And the feedback has used to analyze the sources of information which are highly preferred by the stakeholders. The next question raised in the same context was about the purpose of referring annual reports for the corporate information. Similarly, a query was raised to the respondents to give their perception on the quality of the annual reports which they were referring for corporate information. Following tables are providing the details on the concerned questions.

Sources of Corporate Information

Table 3: Ranking the Sources of Corporate Information as per the Perception of the Stakeholders

Source of Information	Total Respondents	Ranking
Published company annual reports	179	1
Press releases- regular news, inspired newspaper editorials, advertising, advertorials and special supplements	144	2
House magazines, periodicals, booklets, brochures, leaflets and posters	53	9
Prospectus	77	5
Statutory reports, interim reports	107	4
Audio Visual media-presentation to financial analysts and other investors groups, press conferences, radio, exhibitions, television, films etc.	46	10
Shareholders annual general meeting.	63	7
Publications of professional and other accounting bodies	58	8
Official reports and publications of stock exchanges	74	6
Digital media- corporate websites, public websites Cods etc	110	3

(Source: Research compilation)

Although there are a lot of the sources available, these can serve the various needs of the users of the corporate information. Table 3 reveal that the published annual reports are the most referred source of information. And as per the ranking given to this data the next source preferred is Press releases- regular news, inspired newspaper editorials, advertising, advertorials and special supplements. Then there comes Digital media- corporate websites, public websites Cods etc., which is followed by the Statutory reports, interim reports. The least preferred source of information is Audio Visual media-presentation to financial analysts and other investors groups, press conferences, radio, exhibitions, television, films etc. These results are subject to the preference given by the respondents under the studies.

Purposes for Referring the Annual Reports

Table 4: Ranking the Purposes for Referring the Annual Reports as per the Perception of the Stakeholders

Purpose of referring annual reports	Total Respondents	Ranking
Investment in the company	164	2
Analyzing the contribution of company towards the society	83	5
Analyzing the contribution of company towards the environment	62	6
Analyzing the financial performance of the company	171	1
Comparing the performance of the company with other companies	118	4
Assessing the growth of company in future.	128	3
Others, if any	15	7

(Source: Research compilation)

As the above part is revealing that the most preferred source of information is published annual reports of the companies. The next question was an attempt to know about the purpose of referring the published yearly reports of the companies. And in the views of the respondents as stated in Table 4, the foremost purpose of referring the published yearly reports is analyzing the financial performance of the company, which is followed by the Investment in the company. Assessing the growth of company in future and comparing the performance of the company with other companies are also there on the priority list of the respondents.

Stakeholders Perception on Quality of Annual Reports

Table 5: Ranking the Perception of Stakeholders on the Quality of Annual Reports

Measures of Quality	Mean	Std. Dev.	Ranks
Understandability	3.867704	0.722144	1
Relevance	3.521401	0.770887	10
Reliability	3.789883	0.825979	5
Faithful representation	3.735409	0.847809	6
Neutrality	3.55642	0.860214	9
Completeness	3.797665	0.77429	4
Comparability	3.840467	0.796622	2
Predictability	3.836576	0.758123	3
Consistency	3.715953	0.834474	7
Timeliness	3.59144	0.848024	8

(Source: Research compilation)

The table 5 revealed that first rank is given to the understandability of the annual reports. Then there comes the comparability of the published yearly reports of the corporations. It is easy to make the comparison amongst the companies on the basis of the published annual reports. The study basically moves around the voluntary corporate disclosure practices, whether that is about the extent of VCD or determinant of such disclosure or it all about the stakeholders perception about the voluntary corporate disclosure. And yes this question confirms that the information provided in the yearly reports is predictable as per the opinion of the respondents. Completeness has been given with fourth ranks by the users as a particular feature of the published annual reports of the companies. Neutrality (disclosure of common information) and significance of material disclosed in published yearly reports has been assigned with last ranks, reasons behind that are these days the required information is not given weightage by the preparers of the annual reports. With the advent of the data science industry, the presentation of information and the demands of information are changing drastically.

FINDINGS OF THE STUDY

The corporate disclosure practices are concomitant part of corporate governance in the Indian Corporate Sector. Both the theoretical and empirical literature have established the belief that VCD in addition to the MCD is the need of hour. The level of mandatory and voluntary corporate disclosure has been reconnoitered along with variables influencing this level of disclosure empirically in standard advanced economies. Since there are important variances in the economic, political, legal and ethical systems and the corporate culture between the developed and developing countries, the generalizations of the findings become extraneous and question the widespread applicability. Hence, the attempt was to verify empirically the level of disclosure as well determinants of corporate disclosure.

Primary study was conducted to have an idea of the stakeholders perception regarding the disclosure practices of the firm and their preferences to the level of disclosure on voluntary items of information. Mainstream respondents were males, between the age group of 25-35, almost all postgraduates and the professionals. Majority of them were employed. 61% of the respondents were having a knowledge of the disclosure practices norms. The respondents used to invest for a short time period as they found not to be a burden on the company and the size of their investment was also very less.

The results reveal that mostly used source of information in the companies is the published yearly reports of the companies. And as per the ranking given to this data the next preferred source is Press releases- regular news, inspired newspaper editorials, advertising, advertorials and special supplements. Then there comes Digital media- corporate websites, public websites Cods etc., which is followed by the Statutory reports, interim reports. The least preferred source of information is Audio Visual media-presentation to financial analysts and other investors groups, press conferences, radio, exhibitions, television, films etc.

Understandability and comparability have been given the top ranks by the users as a particular feature of the published annual reports of the companies. Neutrality and importance of material disclosed in annual reports have been assigned with last ranks. Overall the comparisons of the stakeholders' preference to voluntary information revealed that the financial analysts are more interested in the financial information against the customers and the general public who are interested in the environmental research and development information. Kruskal Wallis test reveals

that there is no association between the stakeholders ranking to the major categories of the voluntary corporate information, which further confirms that the demands of the various stakeholders are entirely different on the basis of the purpose of the information they use.

CONCLUSION

Published company annual reports are still the most reliable and preferred source of information. Other sources were not preferred due to lack of timely, reliable and adequate information. The companies are suggested to improve the annual reports in terms of understandability, consistency, reliability and faithful presentation of the information. Also Company need to improve the disclosure practices to ensure the timely delivery of the relevant information to the stakeholders.

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