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Implications of IFRS on Corporate Financial Reporting in India: Empirical Evidence from Select Indian Companies*

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ABSTRACT

The main purpose of this study is to identify the statistically significant differences between the Indian GAAP-based and IFRS-based financial statements of companies in terms of financial statement items through the calculated financial ratios.

The analysis is based on the sample of 10 Indian companies that have voluntarily adopted IFRS reporting. Financial statements prepared as per Indian GAAP and IFRS were obtained for a period of 6 years, 2008-9-2013-14. Financial ratios under the categories stability, liquidity, profitability and investment valuation were analysed using relevant quantitative tools. Identifying significant differences between Indian GAAP-based and IFRS-based financial ratios, the study showed that IFRS adoption has led to a statistically significant increase in liquidity, profitability and valuation ratios. The study also attempts to give suggestion of efforts that must be taken up to gear up the country towards total convergence of accounting standards with IFRS.

Key words: IFRS, Harmonisation, Financial Reporting, Ind-AS, IGAAP, Financial Ratios.

* Based on recently completed UGC major research project entitled "Implications of IFRS Adoption on Corporate Reporting Practices in India - An Empirical Investigation". An earlier version of the paper was presented at 'G.D. Roy Memorial Lecture', on 25th July 2015 in Kolkata. Many of the changes are in response to comments of the participants and also the anonymous reviewer. Author also acknowledges the assistance received from P. Bhanu Sireesha, Data Analyst of the Department and B. Krishnaveni, Project fellow. However, for errors and commissions, if any, the author is responsible.

Corporate Governance and Corporate Sustainability Linkages: Evidence from India

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ABSTRACT

This paper attempts to enquire into interrelationship between corporate governance (CG) and corporate sustainability (CS). Both have assumed importance in India due to its fast-paced growth. Sustainability development became popular when global leaders joined hands in Earth Summits to recognise that development at the cost of environment and society is unsustainable. Integrating sustainable development into corporate strategy is CS. CG can be referred to as a system of controls and incentives, governing the corporations towards meeting its objectives. This study uses Board and Ownership variables to capture CG, and examine whether superior CG is associated with superior CS performance (CSP). Such a relationship would impact the studies examining the effect of two independently on firm performance.

Key words: Corporate Sustainability, Corporate Governance, India, Corporate sustainability performance, Stakeholders.

Examining Ethical Aspect of Behaviour of Accounting Students: An Empirical Study

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&

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ABSTRACT

This study intended to find out the level of ethics among the accounting students during their period of study. For this purpose, data were collected through a structured questionnaire from accounting students in Udaipur (Rajasthan) City. Students were asked to respond to 36 questions related to ethics. The sample was based on convenient sampling method comprising 394 students. Responses were based on 4-point Likert scale. For testing hypotheses, Z-test and ANOVA have been applied. It was found that on most of the issues, respondents had a significant opinion. Further, under-graduate and post-graduate students' opinions were not found significantly different in majority of issues; female students were found more ethical than their male counter parts.

Key words: Ethical Behaviour, Accounting Students, Male and Female Ethics.

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Social and Environmental Impact of Public and Private Power Sector: Empirical Evidence from West Bengal

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ABSTRACT

Electricity is an indispensable constituent of industrialisation which is a major economic activity. The generation of electricity has inverse relation with environment. To meet the increasing demand of power, along with public power sector, private thermal power plants also occupy an indispensable position. This paper attempts to make a study of the social and environmental impact of two public and private thermal power plants operating in West Bengal. For comparison, an empirical study has been conducted in respect of two power stations : Kolaghat Thermal Power Station under WBPDC and Budge Budge Generating Station under CESC. The study is based on the primary data available through personal interview to different respondents surrounding the above two plants at three stages for each - project affected families within 5 km, families in buffer zone beyond 5 km, and social representatives selected by using stratified random sampling technique. The emphasis is on social and environmental impact of generating electricity through thermal power plants.

Key words: Kolaghat Thermal Power Station, Budge Budge Generating Station, Project Affected Families (PAFs), Families in Buffer Zone (BZFs), Social Representatives (SRs), Corporate Social Responsibility, Environment impact.

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INDIAN ACCOUNTING REVIEW

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The scope of the journal encompasses all areas of accounting including auditing, taxation, management accounting and information systems. IAR seeks to publish high quality, research-oriented and original articles. It encourages both fundamental and applied research works.

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