PREFACE

A recent upsurge of illegal and ethical misconduct incidents spanning the globe has intensified public scrutiny of corporate behavior. Corporate Social Responsibility (CSR) is not a mere business buzzword or a fad, rather one of the most promising management topics of mounting significance for businesses. Proponents argue that there is a robust business case for CSR, as the corporations benefit in multiple ways by operating with a wider perspective which goes beyond their short-term profits. Some critics argue that CSR sidetracks from the essential economic role of businesses; others opine that it is nothing more than artificial window-dressing; others yet are of the belief that it is an endeavor to pre-empt the role of governments as a watchdog over influential multinational corporations. In the foreign studies studied till date, possibly the maximum studied facet of CSR has been its link to Corporate Financial Performance (CFP). India has a lot of scope for research in this area. There is a dearth of such literature and need for the study on CSR Initiatives and its disclosure and CFP, is being deeply felt, especially in the Automotive Sector. Unlike prior research, this study, out of the total population of 492 companies, examined 26 automotive companies for a period of five years, to study the relationship between Disclosure(s) of CSR initiatives and the Financial Performance of the companies using Content Analysis and Multiple Regression Analysis. Then, through questionnaires served to 450 middle level and senior level employees, the perception of employees regarding the implementation of the new

Companies Act 2013 provisions being followed by the companies was studied and analysed using Percentage and Pie Charts followed by a detailed analysis of the relationship between CSR initiatives and the CFP through Exploratory Factor Analysis (EFA) and Structural Equation Modelling (SEM) using statistical program IBM SPSS (Statistical Product and Service Solutions, developed by SPSS Company of America,) Statistics 20 and AMOS 22. The results indicated that there has been a substantial increase in the disclosure of CSR initiatives by the companies. However the results are not evident of any relationship between the CSR information disclosure and CFP of the firm. The study also found that the employees' perception about the CSR initiatives taken by their companies confirm that there exists a weak but significant and positive relationship between corporate social responsibility initiatives taken by the companies and corporate financial performance.

Since, not much research has been done in the field of CSR and its disclosure in India, especially in the automotive sector, this study would be a significant contribution to the existing body of knowledge. The Indian companies' managers can be acquainted with the reporting guidelines followed internationally and the same can be made a strict and mandatory internal policy, to make themselves globally competitive in the area of social responsibility. The study of relationship between CSR and CFP may give an insight to the companies to take a judicious decision regarding investment in CSR initiatives.

CERTIFICATE

This is to certify that the work incorporated in the thesis entitled **"A Study of Relationship between Corporate Social Responsibility Initiatives and its Disclosure(s) and Corporate Financial Performance of Select Companies in Automotive Sector in India**" for the degree of 'Doctor of Philosophy' in the subject of Management Studies under the Faculty of Management Studies has been carried out by Mrs. Shilki Bhatia in the Department of Management at Bharati Vidyapeeth University, Pune during the period from 2011 to 2015, under the guidance of Dr. N.K.Gupta.

Place: Delhi (Signature of Head of the Institute with seal)

Date: (Principal / Director)

CERTIFICATION OF GUIDE

This is to certify that the work incorporated in the thesis entitled "**A Study of Relationship between Corporate Social Responsibility Initiatives and its Disclosure(s) and Corporate Financial Performance of Select Companies in Automotive Sector in India**" submitted by Shilki Bhatia for the degree of 'Doctor of Philosophy' in the subject of Management Studies under the Faculty of Management Studies has been carried out in the Department of Management, Bharati Vidyapeeth University, Pune during the period from 2011 to 2015, under my direct supervision/ guidance.

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Date: Dr. N.K. Gupta

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DECLARATION BY THE CANDIDATE

I hereby declare that the thesis entitled "**A Study of Relationship between Corporate Social Responsibility Initiatives and its Disclosure(s) and Corporate Financial Performance of Select Companies in Automotive Sector in India**" submitted by me to the Bharati Vidyapeeth University, Pune for the degree of Doctor of Philosophy (Ph.D.) in Management Studies under the Faculty of Management Studies is original piece of work carried out by me under the supervision of Dr. N.K. Gupta.

I further declare that it has not been submitted to any other university or Institution for the award of any degree or Diploma.

I also confirm that all the material which I have borrowed from other sources and incorporated in this thesis is duly acknowledged. If any material is not duly acknowledged and found incorporated in this thesis, it is entirely my responsibility. I am fully aware of the implications of any such act which might have been committed by me advertently or inadvertently.

Place :

Date :

Name & Signature

Research Student

ACKNOWLEDGEMENT

Time flies……

I still don't forget that day when I travelled to Pune by air (all alone for the first time in my life) for my PhD Interview with BVP University. The last four years that have slipped by so fast have made me witness many new challenges academically and professionally.

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ABBREVIATIONS TABLE

CSR	Corporate Social Responsibility
CFP	Corporate Financial Performance
SD	Standard Deviation
VIF	Variance Inflation Factor
ROA	Return on Assets
ROE	Return on Equity
PAT	Profit after tax
D/E	Debt/Equity
CSR_ECO	Economic dimensions of CSR
CSR_ENV	Environmental dimensions of CSR
CSR_SOC	Social dimension of CSR
CSR_FIN	Financial dimension of CSR
TBL	Triple Bottom Line
GRI	Global Reporting Initiative
UNGC	United Nations Global Compact
ISO	International Standards Organisation
MCA	Ministry of Corporate Affairs
NVG	National Voluntary Guidelines
BRR	Business Responsibility Report
AA	Account Ability
CSRP	CSR Policy

CSRC	CSR Committee
CSRDI	Corporate Social Responsibility Index
EFA	Exploratory Factor Analysis
KMO	Kaiser- Meyer-Olkin
SEM	Structural Equation Modelling
SPSS	Statistical Product and Service Solutions
FMCG	Fast moving Consumer Goods