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Driving Sustainability: Exploring the Impact of Corporate Social Responsibility Disclosure on the Financial Performance of Selected Indian Automobile Companies

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Abstract

The goal of this study is to inspect the association between the corporate social responsibility (CSR) disclosure level with the corporate attributes of selected automobile companies. The CSRD level was calculated using content analysis technique based on Global Reporting Initiatives/ Business Responsibility Report (BRR). The CSRD Index is based on seven themes namely, environment, energy, employee, community, product safety/ Customer, green initiative and investor. The sample consists of top 20 listed automobile companies over a period of 2013-14-2016-17. Regression analysis was used to determine the impact of corporate attributes on CSRD. The results indicate the negative and insignificant impact of market performance and leverage on CSRD. There is negative and significant impact of Return on Asset (ROA) on CSRD. Further, ROE, ROCE and Foreign institutional investors (FIIs) indicates positive and insignificant impact on CSRD. Thus, the relative impact of corporate attributes is found insignificant in the selected automobile companies.

Key Words: *Corporate Social Responsibility Disclosure, Market Performance, Profitability, Leverages, and Foreign institutional investors (FIIs), Indian Automobile Companies*

1. Introduction

Corporate Social Responsibility (CSR, hereafter) has attained a lot of attention in recent years as companies realise the need of looking beyond the profit and profit maximization. Instead, they are considering their wider influence on society and the environment (Abdullahi *et al*., 2024). CSR and its impact on performance of an organisation has been much debated in academia. However, a harmony is still away regarding its definition and its components proportion, constructs and fundamental (Crane *et al*, 2008; Biswal *et al*., 2017). The corporate sector has been expanded and grown significantly in India despite it is evident that the corporate social aspect is lacking. However, the increasing trend of corporate governance can be observed from the literature. As previously believed that a firm's only responsibility is to expand value for its shareholders (Friedman, 2007). CSR is the voluntary measures and projects firms take to incorporate social, environmental, and ethical factors into their company operations and strategy (Eadie *et al*., 2024). The concept of CSR has advanced over time to comprehend a wider scope. Initially, it focused on companies gratifying their responsibilities towards shareholders while following the regulations. However, the concept has lengthened to include responsibilities towards various stakeholders, such as employees, customers, communities, and the environment.

CSR is significant because it has the ability to develop long-lasting companies that benefit society. It indicates a change from the conventional perspective of corporations as being exclusively concerned with making profits to a more comprehensive approach that takes into account social and environmental implications (Farhan *et al*.,

2024). Companies may increase trust, improve their brand, and improve stakeholder relationships by tackling societal and environmental issues. Different firms have different reasons for embracing CSR. Due to moral reasons, some businesses adopt CSR in an effort to match their ideals with their commercial practises. Others are motivated by a need to meet societal demands and deal with urgent environmental challenges. Businesses are also aware of CSR's long-term advantages, which include enhancing consumer loyalty, recruiting and keeping talent, and reducing risks related to social and environmental aspects (Sivashankari & Nithya, 2024).

Financial statements are the main source of firm's financial performance, the type of financial statements investigations that will used in this present research is the analysis of financial ratios i.e., ROA, ROE and ROCE. ROA defines as a firm's net profit in relation to total assets of the firm (Winser *et. al*, 2009), ROE measures rate of return of business over the total actual capital (Surgiono, 2009) and (Egungwu, 2005) ROCE is measured by analyzing the profits of firms with used amount of capital in making the profits and fixed as percentage or in fraction. Given the emphasis on financial performance to firms, this study characterized the components that have an impact on financial performance of the firms. The functioning and occasionally voluntary contributions of corporate reserves to initiatives intended to achieve social and economic gains are the main definition of the complicated term "CSRD." Organizations have realized the strategic importance of such exercises, which has prompted more thought on this issue. The relationship between CSRD and Financial Performance (FP) has been the subject of much discussion. Numerous studies have looked at the connection between CSRD and financial performance (Mehralian et al., 2016). However, prior research has given a mixed set of results including positive (Mehralian *et al*., 2016 and Hsu & Chang, 2012), negative (Aupperle *et al*., 1985 and Brammer& Millington, 2008), neutral (Mcwilliams & Siegel, 2000 and Soana, 2011) and complex (Barnet & Salomon, 2012) relationships. There is little consensus about whether or not high levels of CSR activities improve financial performance (Inoue & Lee, 2011 and McWilliams & Siegel, 2000).

The importance of our research falsity in realisation the drives for the corporate attributes and their impact on CSRD practices. The study used vital corporate attributes to observe their impact on the CSRD practices of Indian companies. We suggest the relationship between CSR and corporate attributes varies. A very few studies have determined the relationship between FIIs and CSR (Gulzar *et al*., 2019). The present study provides a distinct viewpoint than demonstrated in the present literature with regards to interrelationship between CSRD and FP. Thus, our research aims to assess the impact of the corporate attributes (market performance, profitability (in terms of ROA, ROE and ROCE) leverage and FIIs on CSR activities.

The remaining paper is planned into five sections; second section presents the review of literature; section third details research methodology to validate the objectives followed by fourth section that presents the findings and lastly, fifth section summarizing results and presents conclusion.

2. Review of Literature

A review of the literature on corporate social responsibility has increased stakeholders' focus on management in a challenging market climate in the US, Europe, and Asia. Corporate reputation, corporate social responsibility, and stakeholder interactions are the three fundamental principles that modern organisations have given a lot of consideration to (Argenti and Bares, 2009; Mansoorzadeh & Galankashi, 2024). The conceptualization of corporate social responsibility (hereafter, CSR) has been expanding since the early's 1970s. There is no widely accepted definition of CSR, though many definitions have been presented by various researchers, academicians and authorities. CSR is a progressing duty by business firms to perform and contribute towards economic development while also improving the living conditions of employees and their families, as well as local community and society at large. The philosophy of giving and receiving underpins the definition of CSR. Companies absorb a variety of resources from society, and by fulfilling their obligation to engage in CSR initiatives, they are

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returning something to society (Shwiyat *et al*., 2024). In the modern era with well-planned economies and local businesses taking over at the socialist market economy point, we have a "enterprise run society." The term "enterprise run society" refers to a society where businesses manage and finance social services like hospitals, schools, and other institutions. Additionally, businesses participate in CSR initiatives to obtain a competitive edge in the market. In order to maintain their profits in the face of fierce competition, they are looking at new areas where they may build infrastructure and improve the institutional climate for their employees (Saeed and Arshad, 2012). In fact, the success of the corporate organisations depends upon the local environment e.g., appropriate infrastructures, the right types and quality of education to future employers, cooperation with local distributors/suppliers, quality of institution, legal legislation. In this cutthroat market, a corporation's philanthropic efforts or social and environmental projects can have a significant impact on both the local community and the firm itself (Porter, 2003).

When the term CSR coined in India, almost all discussions on social responsibility in corporate sector were based on philanthropy but in reality, the concept of CSR is entirely different. Corporate Social Responsibility has well-built prospect to make useful contribution towards the needs of backward societies in developing countries (Tsytsyna *et al*., 2024) The reasons to consider CSR initiatives by corporate sector in their practices are adequate. The evidences of the environmental and social issues across the globe make the corporate sector more accountable for their activities (Sharma and Dangwal, 2015; Eadie *et al*., 2024) These issues may be related to hazardous emissions, water scarcity, energy, biodiversity, gender differences, child labour practices, product safety etc. As a consequence, the focus of reporting is now shifting from financial to non-financial practices to identifying, analysing and communicating the material economic, environment, social and governance information (Vijay & Saravanan, 2024). The investors and fund managers are investing their funds after integrating this material information in their investment decision making (Bhanu Murthy, Bhandari and Pandey, 2014). Even the customer is now more aware about these issues and considering them while purchasing the goods and services. Furthermore, government is also putting the pressure of non-financial reporting on the corporate sectors due to burning global and social issues by framing regulatory and legal guidelines. As a result, Corporate Social Responsibility Disclosure (hereafter, CSRD) become more meaningful and is being focused more than ever in business and academic world. Corporate Social Responsibility Disclosure as both a concept as well as practice, has become famous in researches. There are various assumptions about how to measure Financial Performance (FP). The most extensively used applications are measurement based on professional institution data base, questionnaire method, reputational indexed method and content analysis method. Same method is applied by (Vance, 1975) to as 86 company employees to sort & rank 45 huge companies. (Rockness *et. al*, 1986 and Konar& Cohen, 2001) used the reputation calculation results of fortune. Content analysis generally refers to the method for coding and analysing qualitative information of companies' reports or detail disclosure (Abott & Monsen, 1979 and Anderson & Frankie, 1980). The questionnaire method classify CSR based on the dimensions' scores and scores of all items in the questionnaire (Newgren *et. al*, 1985; Judge & Douglas, 1998).

In addition, voluminous number of studies dedicated to CSRD all over the world. The importance of CSRD in research area is now earning enormous attention. (Marom, 2008; Makni *et.al*, 2009 & Margolis & Walsh, 2003) for over more than two decades, various analytical and empirical researches have been done to recognize the feasible relationship between CSRD and FP. (Khudhair *et. al*, 2019) revealed that there was a significant position association between CSRD and FP in Iraqis firms. Similarly, (Singh and Dangwal, 2018) assessed the impact of CSRD on firms' financial performance. Content analysis method has been applied to analyse the data and multiple regression method has also been applied to test the various models under the study. They concluded that there is positive impact of community and environment on ROA & ROE. Likewise, (Peters and Mullen, 2009) investigated the

Economic Sciences
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effect of CSRD on firms' financial performance. They found that ROA was significant to CSRD.

Moreover, few studies showed that there is no connection between CSR and financial performance like (Lyon, 2007) examined the association between CSRD and financial performance. In this study financial performance is measured by ROA and ROE. Findings show that there is no relationship found between CSRD and financial performance whereas CSRD has impact on ROE. Additionally, (Mahoney and Roberts, 2007) examined the Corporate social performance and financial performance. Researcher applied Panel data regression technique and found no significant relationship between them. According to Pava and Krausz (1996), financial variables can be divided into four sections such as accounting-based measures, market-based measures, measures of risk and other firm specific characteristics. For the purpose of the present study, all the four sections of financial variables (market performance, profitability, FIIs stake and leverage) have been covered to examine their relation with CSRD practices.

3. Research Methodology

3.1. Data and Sample selection

We adopted top twenty Indian automobile sector companies listed on Bombay Stock exchange (BSE) for the period 2012-13 to 2016. The Security and Exchange Board of India (SEBI) mandated for the companies to filling of an annual Business Responsibility Report (BRR), which mainly emphases on CSR performance. To assess the CSRD level of sample companies, the data is collected from the annual reports, sustainability reports and business responsibility reports for the period of five years. Content analysis is used to measure the CSRD score of each automobile company. The CSRD (Environment, Energy, Employee, Community, Product Safety/ Customer, Green Initiative and Investors) score serves as a dependent variable and the profitability, financial leverage and market performance and FII's are independent variables. The size of the company is taken as control variable.

A CSRD index is constructed and a dichotomous procedure was used to score the companies according to the disclosure of items of index. The relationship of CSRD level with corporate attributes such as market performance, profitability (ROA, ROE and ROCE), leverages and FIIs drawn from the literature is examined. The relationship of CSRD level and corporate attributes is investigated for the period 2012-13 to 2016-17 only. The relationship is investigated by formulating and testing the five research models by using panel data regression analysis

3.2. Empirical Models and Variable Measurement

Table 1: Models Specification

Variables	Models	Hypothesis
CSRD (DV) Market Performance (IV) Size of the firm (CV)	$CSRD_{it} = \alpha + \beta_1 MBV_{it} + C_{it} + \varepsilon_{it}$ ...(a)	*Market Performance has a significant and positive impact on the level of CSRD.*
CSRD (DV) Profitability (ROA, ROE and ROCE) (IV) Size of the firm (CV)	$CSRDS_{it} = \alpha + \beta_1 ROA_{it} + C_{it} + \varepsilon_{it}$ ...(b) $CSRDS_{it} = \alpha + \beta_1 ROE_{it} + C_{it} + \varepsilon_{it}$ ...(c) $CSRDS_{it} = \alpha + \beta_1 ROCE_{it} + C_{it} + \varepsilon_{it}$ ...(d)	*Profitability (ROA, ROE, ROCE) has a significant and positive impact on the level of CSRD.*
CSRD (DV) FIIs Stake (IV) Size of the firm (CV)	$CSRDSit = \alpha + \beta 1 FIIs\ stakeit + Cit + \varepsilon it$ ..(e)	*FIIs stake has a significant and positive impact on the level of CSRD*
CSRD (DV) Leverage (IV) Size of the firm (CV)	$CSRDSit = \alpha + \beta 1 leverageit + Cit + \varepsilon it$ ..(f)	*Leverage has a significant and negative impact on the level of CSRD*
*DV – Dependent Variable, IV – Independent Variable, CV – Control Variable		

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Table 2: Definitions of variables

Variable	Definition
$CSRDS_{it}$	Overall CSRD score, at time t for each cross-sectional unit i
α_1	The intercept term varying across section
MBV_{it}	Market to book value, at time t for each cross-sectional unit i
$ROCE_{it}$	Return on Capital Employed, at time t for each cross-sectional unit i
ROA_{it}	Return on Assets, at time t for each cross-sectional unit i
ROE_{it}	Return on Equity, at time t for each cross-sectional unit i
$FIIs\ stake_{it}$	FIIs stake, , at time t for each cross sectional unit i
$leverage_{it}$	Debt-Equity ratio, at time t for each cross-sectional unit i
β_1	Coefficient
C_{it}	A Vector for control variable, varying over time t and across section i
ε_i	The error term

4. Data Analysis and Findings

4.1. Descriptive Statistics

Table 3 depicts that the descriptive statistics of the dependent, independent and control variables of Automobile companies. Mean, median, standard deviation, minimum, and maximum measures are used for the descriptive analysis of the variables. The analysis shows an increasing trend of CSRD from 2012-13 to 2016-17.

Table 3: Descriptive statistics

Year		CSRD (Dependent Variable)	ROA (Independent Variable)	ROE (Independent Variable)	ROCE (Independent Variable)	LVG (Independent Variable)	MBV (Independent Variable)	FIIs (Independent Variable)	LTA (Independent Variable)	LTS (Independent Variable)
2012-13	**Mean**	42.5	3.4175	33.161	44.1725	0.02	2.94	11.679	3.117	3.275
	Std.Deviation	7.605	14.29002	71.50763	153.15136	2.56192	3.70565	12.77978	0.9731	1.15474
	Median	42.5	3.51	13.3	9.205	0.3	1.865	5.465	3.085	3.29
	Minimum	30	-27.33	-42.08	-16.16	-10.12	-0.08	0	1.51	0.88
	Maximum	56	24.39	276.53	691.24	2.42	16.38	41.39	4.91	4.69
2013-14	**Mean**	17.15	6.673	35.002	7.9635	0.4345	4.136	11.3825	3.1445	3.2025
	Std.Deviation	6.885	14.04703	57.08252	38.10111	0.85843	7.32137	12.53722	1.00948	1.20523
	Median	17	7.17	17.425	12.8	0.21	2.06	4.76	3.095	3.415
	Minimum	1	-29.68	0.89	-145.33	-1.42	-1.04	0	1.46	0.67
	Maximum	31	25.07	251.78	43.93	2.43	33.18	38.15	5.08	4.69
2014-15	**Mean**	29	2.3415	11.638	17.2155	0.307	5.4315	13.158	3.2165	3.179
	Std.Deviation	7.32	20.66637	25.56846	26.66659	0.75398	6.48934	13.76222	0.96805	1.27221
	Median	28	5.8	13.92	12.44	0.185	4.355	7.38	3.165	3.515
	Minimum	18	-59.45	-31.93	-16.02	-2	-1.83	0	1.6	0.89
	Maximum	44	27.03	60.99	108.11	1.37	26.95	40.75	5.1	4.74
2015-16	**Mean**	26.6	4.271	16.0335	15.72	0.57	4.907	14.157	3.193	3.146
	Std.Deviation	6.785	22.61498	16.73516	16.00645	1.19507	4.99291	17.75421	1.02499	1.43129
	Median	27.5	5.055	13.2	12.3	0.215	4.105	7.235	3.215	3.545
	Minimum	14	-62.11	-9.23	-4.72	-0.1	-0.08	0	1.48	-0.06
	Maximum	40	36.12	56.03	54.04	5.4	22.25	56.41	5.15	4.81
2016-17	**Mean**	28.15	0.3895	0.854	7.8525	0.6235	5.0205	10.4785	3.222	3.1142

Economic Sciences
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	Std.Deviation	7.548	19.77253	37.76164	18.36757	0.95871	4.00729	12.64247	1.06456	1.49676
	Median	27	5.61	13.1	12.205	0.17	4.7	5.17	3.28	3.58
	Minimum	18	-48.9	-116.65	-43.71	-0.03	-0.12	-6.04	1.32	0.05
	Maximum	52	28.25	39.77	38.34	4	17.73	41.92	5.12	4.89

4.2. Results of Multiple Regression Analysis

The following section describe the results of multiple regression analysis. Table 4 is correlation matrix for all the six models.

Table 4: Correlation Matrix

Models	Variables	MBV	LTA	LTS
a	MBV	1		
	LTA	.266**	1	
	LTS	.334**	.871**	1
b	Variables	ROA	LTA	LTS
	ROA	1		
	LTA	.326**	1	
	LTS	.432**	.871**	1
c	Variables	ROE	LTA	LTS
	ROE	1		
	LTA	-.100	1	
	LTS	-.043	.871**	1
d	Variables	ROCE	LTA	LTS
	ROCE	1		
	LTA	-.158	1	
	LTS	.015	.871**	1
e	Variables	FIIs	LTA	LTS
	FIIs	1		
	LTA	.784**	1	
	LTS	.739**	.871**	1
f	Variables	LVG	LTA	LTS
	LVG	1		
	LTA	-.003	1	
	LTS	-.088	.871**	1

** Correlation is significant at the 0.01 level (2- tailed)*

Table 5: Random Effect Panel Estimation

Variables	Model a	Model b	Model c	Model d	Model e	Model f
MBV	-1.369782	_	_	_	_	_
ROA	_	-0.437804	_	_	_	_
ROE	_	_	0.768208	_	_	_
ROCE	_	_	_	1.087357	_	_
FIIs	_	_	_	_	0.439504	_
LVG						-1.556632
LTA	-1.070211	0.537503	-1.192303	-1.067843	-1.229708	-1.014316
LTS	0.563645	0.034219	0.230112	-0.257993	0.544154	0.222216
Constant	2.141760*	10.04916**	2.247134*	2.372540*	2.120260*	2.162261*
Adj R^2	0.067705	-0.542543	-0.008540	0.162192	-0.090986	-0.060354
F Stat	0.71464	17.7733**	0.645923	0.677566	0.624711	0.743865
N	100	100	100	100	100	100

Note: Dependent Variable: CSRD

Table 5 show the results of random effect panel estimation.

Model a: The value of R^2 for equation a_{1a} is 0.1695 which describes 16.95 percent of total variance in

Economic Sciences
https://economic-sciences.com
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the value of CSRD. Remaining 83.05 percent of the total variance in the value of CSRD is due to the factors. Hence, it can be assumed that market performance has no impact on the CSRD of the automobile companies. The adjusted R^2 value is 0.067705, which describe 6.77 percent variation of the dependent variable (CSRD), due to the independent variable (MBV) and control variables (LTA and LTS). The value of F-statistics is found to be 0.7146 representing insignificant of model a. Durbin-Watson statistics (2.70) shows no autocorrelation in the data (Brook, 2008). The negative values of regression coefficient show that there is a negative relationship between CSRD and market to book value ratio. Hence, it can be assumed that the CSRD and market to book value ratio have neutral relationship.

Model b: The value of R^2 for equation b_{1a} is 0.5748 which describes 57.48 percent of total variance in the value of CSRD. Remaining 42.52 percent of the total variance in the value of CSRD is due to the factors. The adjusted R^2 value is 0.5425, which depict that 54.25 percent variation of the dependent variable (CSRD), due to the independent variable (ROA) and control variables (LTA and LTS). The value of F-statistics is 17.7733, Durbin-Watson statistics (1.4822) shows no autocorrelation in the data (Brook, 2008). ROA measured by net income/total assets having a negative and insignificant impact on CSRD (p-value > 0.05). The Size of the companies (control variable) measured by total assets has positive and insignificant impact on CSRD (p-value > 0.05) and total sales is found positive and insignificant impact with p-value (greater) > 0.05. The CSRD and ROA have neutral relationship in automobile companies.

Model c: The value of R^2 for model c is 0.1557 which describes 15.57 percent of total variance in the value of CSRD. Remaining 84.43 percent of the total variance in the value of CSRD is due to the factors. The adjusted R^2 value is -0.0085, the value of F-statistics is 0.645923, Durbin-Watson statistics (2.77) depicts no auto-correlation in the data (brook, 2008).

Model d: The results represent the value of R^2 for model d is 0.162192 which describes 16.21 percent of total variance in the value of CSRD. Remaining 83.79 percent of the total variance in the value of CSRD is due to the factors. The adjusted R^2 value is -0.077182, the value of F-statistics is 0.6775. The Durbin-Watson statistics (2.67) shows auto-correlation in the data (brook, 2008). The negative values of regression coefficient show that there is a negative relationship between CSRD and ROCE. Hence, the CSRD and ROCE have neutral relationship in automobile companies.

Model e: FIIs is measured by percentage of FIIs in shareholding have a positive and significant impact on CSRD (p-value > 0.05). The Size of the companies (control variable) measured by total assets has positive and significant impact on CSRD (p-value > 0.05) and total sales also has negative and significant impact with p-value > 0.05. The positive values of regression coefficient show that there is a positive relationship between CSRD and FIIs.

Model f: The value of R^2 for model f is 0.1752 which describes 17.52 percent of total variance in the value of CSRD. The adjusted R^2 value is -0.0603, the value of F-statistics is 0.7438 and no-autocorrelation in the data (Durbin-Watson= 2.74). the CSRD and LVG have neutral relationship in automobile companies.

5. Conclusion

Using a sample of Indian Listed Automobile companies from 2013-2017, we examined the impact of corporate attributes (market performance, profitability (ROA, ROE and ROCE), leverage and FIIs) on CSR activities. To check the stationarity of the original data series, Augmented Dickey Fuller (ADF) test was used. The stationary of data of dependent and independent variable of selected automobile companies checked through ADF test explain that CSRD, ROE, ROCE, MBV, LVG, LTA and FIIs series are stationary at level and ROA and LTS series are stationary at 1st difference. The Security and Exchange Board of India (SEBI) directed top hundred listed companies to present the annual business responsibility report w.e.f. 2012-13 to measure their CSR performance. Therefore, the present research is expected to provide significant information to Indian regulatory bodies about the CSR performance of Indian selected companies. The research also provides information about the factors that have significant and insignificant impact on the

CSR performance of selected automobile companies.

The results are crucial for the Auto Industry, stakeholders, and policymakers. According to the Companies Act 2013, the creation of a board CSR committee for all profit-making companies, firms may consider hiring CSR experts in order to spend money wisely and enhance CSR disclosure in order to compete in the global market. Promoters must exert pressure on the company to provide more CSR information, as do other stakeholders. For those in charge of crafting legislation on CSR, the report offers helpful suggestions.

The study has several limitations because it only examined the CSR disclosure of listed automobile firms. Further studies can work on CSR disclosure by incorporating other factors including industry, business development, government ownership, and governance. Additionally, a cross-country comparison of CSR disclosures between India and other developing nations is possible.

6. Implications

Indian automakers' financial success is greatly impacted by the disclosure of their Corporate Social Responsibility (CSR) policies since it improves their brand and draws in environmentally sensitive customers. Transparent CSR programs boost investor confidence, which boosts long-term profitability and capital inflows. Businesses that embrace sustainable practices can save money by implementing energy-saving strategies and cutting-edge technologies. CSR disclosures guarantee regulatory compliance, assisting businesses in avoiding fines and conforming to social and environmental norms. Additionally, by increasing stakeholder engagement, these programs strengthen linkages with communities, workers, and consumers. Furthermore, sustainability initiatives set businesses apart in a crowded market, increasing market share and brand value. By promoting the creation of environmentally friendly technologies that appeal to contemporary customers, they spur innovation. Through lowering possible disruptions and boosting resilience, CSR policies reduce social and environmental risks. All things considered, CSR disclosure boosts brand equity, draws in devoted clients, and guarantees the automotive industry's long-term success.

7. Limitations & Future Directions

Future studies on how CSR disclosure affects the Indian car industry can concentrate on investigating how cutting-edge technologies like Blockchain and artificial intelligence can be integrated to improve sustainability reporting's accountability and transparency. Research can look at how CSR-driven innovations in the manufacturing of electric and hybrid vehicles are affected by green finance. A comparison of domestic and international automakers' CSR performance may provide information on areas for improvement as well as best practices. The long-term financial effects of CSR initiatives could also be studied by researchers, especially in fields like waste reduction and the use of renewable energy. Businesses can implement practical solutions by comprehending how the changing tastes of environmentally concerned consumers affect brand loyalty. It would also be beneficial to look at how mandated CSR disclosures affect policy and how they relate to international sustainability objectives like the Sustainable Development Goals (SDGs) of the UN. Lastly, there is much need for investigation into how CSR initiatives interact with employee engagement, diversity, and skill development in the automotive sector.

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