



GRI FRAMEWORK ON SUSTAINABLE REPORTING AND CORPORATE SUSTAINABILITY PERFORMANCE: A COMPARATIVE STUDY BETWEEN MARUTI SUZUKI INDIA LIMITED AND TATA MOTORS LIMITED

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ABSTRACT

This study examines the effects of sustainable reporting in terms of GRI standards and the impact of the corporate sustainability performance of Maruti Suzuki and Tata Motors, two automobile sector giants in India. Sustainable reporting has drawn a lot of attention to inform stakeholders of their environmental, social, and governance (ESG) efforts. This study aims to determine how such reporting affects Maruti Suzuki's and Tata Motors' sustainability performance by thoroughly analysing both companies' sustainability reporting practices. The study uses a mixed-methods approach, combining qualitative evaluation of the content and transparency of their sustainability reports with quantitative metrics of key performance indicators as per the GRI framework. The findings provide valuable insights into best practices and potential areas for improvement in the relationship between sustainable reporting and corporate sustainability performance in the context of the automobile sector. This study contributes to the academic literature as well as practical decision-making by emphasizing the importance of transparent and comprehensive sustainable reporting in improving corporate sustainability outcomes.

KEYWORDS: Sustainable Reporting, Corporate Sustainability, Triple Bottom Line, GRI, Automobile Sector.

1. INTRODUCTION

Sustainable development plays an important role in the attainment of corporate objectives, which encompass the preservation of the environment, optimization of economic worth, and reduction of social and economic expenses (Tundys, 2021). Business leaders are making an effort to include social and environmental issues in their commercial strategies. Because of the quick changes in investor expectations, businesses now have to take into account their operating environment and local community. One new trend in business is sustainability. Businesses are engaging with consumers and employees by addressing issues related to education, development, community health, and climate change in their pursuit of the Sustainable Development Goals (SDGs). This highlights the challenge of ensuring accurate and transparent reporting. As a result, Sustainability Reporting (SR) has been increasingly adopted in recent years to strengthen stakeholder trust.

Adopting sustainable practices and strategies can enhance business performance, facilitate diversification, and foster innovation, ultimately making a significant contribution to the advancement of regional and urban development (Sarjana et al., 2020).

Several frameworks and standards were developed in response to the increased pressure on businesses to adopt this reporting format and ensure uniform disclosure by them. "Global Reporting Initiative (GRI), Dow Jones Sustainability Index (DJSI), Carbon Disclosure Project (CDP), Global Initiative for Sustainability Ratings (GISR), International Integrated Reporting Council (IIRC), Sustainability Accounting Standards Board (SASB)", etc. are a few examples (KPMG, 2017). Whether termed non-financial reporting, corporate social responsibility (CSR) reporting, or environmental, social, and governance (ESG) reporting, the sustainability reporting (SR) framework established by the GRI Standards stands as the most widely adopted and trusted framework globally. It has been embraced by leading corporations worldwide and is frequently referenced in policy documents and stock exchanges across the globe (Brown et al., 2009).



The study aims to examine the corporate sustainable performance of selected automobile companies through content analysis of their sustainability reports. The following questions were the focus of the study:

1. What are the key elements used by selected automobile companies in their sustainable reporting?
2. What are the differences and similarities in the corporate sustainable performance of these selected automobile companies?

• *Sustainable Reporting in the Automobile Industry*

Global warming and increasing pollution levels force all countries to reconsider their environmental policies in order to achieve sustainability. According to this perspective, the automobile industry is subject to intense pressure from the government and its citizens over sustainable development. The Indian automobile sector, therefore, prioritizes environmental sustainability in addition to corporate progress through increased profitability (Kumar et al., 2020).

Sustainable reporting is essential for the automotive sector for a number of reasons. First, more stringent regulations, such as those governing CO₂ emissions guidelines, have forced businesses to adopt sustainability strategies and track their results (Sukitsch et al., 2015). Second, sustainable reporting enables businesses to evaluate the financial impacts of their sustainability performance, including expenses for environmental management and costs associated with social, health, and safety (Jasch & Lavicka, 2006). Third, sustainability reporting enables automakers to track their environmental performance throughout the lifecycle of their products, review progress, and assess the impact of alternative solutions (Jasch & Lavicka, 2006). Furthermore, sustainable reporting helps to achieve the goal of a sustainable automobile industry by addressing the industry's economic, social, and environmental concerns (Orsato & Wells, 2007). Finally, sustainability reporting is critical for automotive firms to enhance their environmental, social, and economic performance while also providing accurate and consistent information to stakeholders (Orsato & Wells, 2007).

“The automotive sector in India is one of the country's most important economic foundations. This sector's contribution to national GDP has increased from 2.77% in 1992-93 to around 7.1% in 2023. It employs about 19 million people directly and indirectly. During the 2021-22 financial year, two-wheelers and passenger automobiles accounted for 77% and 18% of the Indian automobile market, respectively. Small and mid-sized automobiles dominate passenger car sales. The total number of automobiles exported reached from 4,134,047 in 2020-21 to 5,617,246 in 2021-22, representing a 35.9% increase. By the end of 2024, India plans to double the size of its auto sector to Rs. 15 lakh crores.” (Ministry of Heavy Industries, 2023).

2.1. LITERATURE REVIEW

This part covers the key literature on the areas of sustainability as a strategy for business, the triple bottom line approach, and the triple bottom line approach as a tool to measure corporate sustainable performance.

• *Sustainability as a Strategy for Businesses*

Sustainable business practices strengthen organizational resilience by fostering the ability to recognize and adjust maladaptive patterns and respond proactively to unforeseen circumstances. These techniques contribute not just to short-term but also to long-term advantages, including lower financial instability, higher sales, and higher survival rates. (Ortiz-de-Mandojana & Bansal, 2016). Sustainability is an organizational strategy that takes into account a company's or organization's influence on its social, ecological, and economic surroundings in order to generate long-term value. (Brehmer et al., 2018). The concept revolves around the belief that having a sustainable strategy is vital for an organization's longevity. As transparency gains importance and expectations for corporate social responsibility grow, companies must recognize the importance of embracing sustainability. Many sustainable initiatives prioritize reducing waste, creating eco-friendly supply chains, improving energy efficiency, supporting local communities through sustainable actions, and minimizing pollution. (Talonon & Hakkarainen, 2014). In a business context, sustainability means conducting operations in a way that minimizes harm to the environment, society, and local communities. (Neugebauer et al., 2016).

The implementation of sustainable strategies presents several challenges to businesses. The main challenge is that implementation efforts tend to concentrate on managing sustainable impacts and risks at a tactical level instead of addressing them strategically. As a result, the outcomes of these activities are often unclear, perpetuating the false belief that sustainability lacks importance. Furthermore, most business decisions either overlook sustainability entirely or address it only because it is mentioned in the organization's mission or values. Unless those responsible for sustainability are empowered to develop and execute plans, sustainability will consistently take a back seat to the daily operations of the business. Another challenge lies in strategy and planning. (Geissdoerfer et al., 2018)

• *Triple Bottom Line Approach*

The triple bottom line concept in sustainable development emphasizes the measurement of enterprise performance through economic, social, and environmental parameters. It recognizes that enterprises must be accountable not only to stakeholders but also to society and



the environment. The three dimensions of the triple bottom line are people, planet, and profit, highlighting the importance of considering social and environmental factors alongside economic goals (Elkington, n.d.) (Richardson, 2013). Triple bottom line (TBL) is a concept in sustainable development that focuses on the economic, social, and environmental aspects of sustainability. It aims to achieve a balance between these three dimensions to support sustainable development (Nogueira et al., 2022). The triple bottom line approach provides a framework for holistic infrastructure planning, considering the economic, environmental, and social aspects of climate change impacts on civil infrastructure (Hammer & Pivo, 2016).

• *Triple Bottom Line as a tool to measure Corporate Sustainable Performance*

Because it considers the environmental, economic, and social aspects of a project or system, the triple bottom line (TBL) method is pertinent for evaluating sustainability. It enables decision-makers to take into account how their actions may affect the economy, society, and environment. TBL has been used in a variety of fields, including construction, geotechnical projects, and energy systems (Hendiani et al., 2020; Oladazimi et al., 2021; Raza et al., 2021). TBL is also applicable in the context of supply chain management, where sustainable supplier development plays a crucial role in improving sustainability across the supply chain (Polcyn et al., 2021). The Triple Bottom Line approach helps in measuring corporate sustainability performance, i.e., it measures and evaluates a company's social, environmental, and economic activities to ensure long-term viability and competitive advantage (Rahman, 2014). Corporate sustainability performance is an umbrella term that includes economic, social, and environmental performance, as well as how corporate governance affects company performance (Pavlová Dočekalová et al., 2015).

• *Sustainability in Annual Reports*

Financial reports do not always contain the same level of information as sustainability reports, also known as CSR or environmental, social, and governance (ESG) reports. By taking into account the company's economic, social, and environmental performance, it demonstrates its capacity to create long-term value. (Kuzey & Uyar, 2017). Sustainability reporting is "the process of communicating the social and environmental effects of organizations' economic actions to particular interest groups within society and to society at large" (Gray et al., 1996). Companies are incorporating sustainable practices into their annual reports owing to a variety of drivers and advantages. The drivers for implementing sustainable practices encompass pressures from international initiatives, industry associations, governments, stakeholders, and the need to maintain a social license to operate (Ivic et al., 2021). These factors encourage businesses to report on essential topics like corporate governance, employees, the environment, stakeholder participation, and workplace health and safety (Miklosik et al., 2021). Incorporating sustainability strategies into annual reports enables businesses to convey their environmental performance, promote transparency, and uphold stakeholder relationships (Nayak & Kayarkatte, 2020). It also helps businesses, particularly small and medium-sized firms (SMEs), lower risk, boost competitiveness, and access global value chains (Bunclark & Barcellos-Paula, 2021). Additionally, corporate social responsibility (CSR) initiatives are highlighted via sustainability reporting, which aids in achieving sustainability objectives (Miklosik & Evans, 2021).

• *Nexus Between Sustainable Reporting and Corporate Performance*

A review study by Goyal and Rahman (2014) suggests a positive relationship between corporate sustainability and business performance. Firms that engage in higher levels of social disclosures are observed to have correspondingly higher market values. This association is primarily attributable to the firms' anticipated growth rates in their cash flows. It is also worth noting that firms with greater financial resources are more likely to provide more extensive disclosures, resulting in net economic benefits (Qiu et al., 2016). Environmental sustainability has a favourable and considerable impact on the firm performance of Indian firms (Gupta & Gupta, 2020). The degree of environmental disclosure and environmental performance are positively correlated. This implies that companies tend to do better in terms of the environment when they publish more environmental information. Environmental performance is also influenced by the type of environmental disclosure. Businesses with greater environmental performance tend to disclose more explicit and thorough information about their environmental practices and activities. (Clarkson et al., 2011). Environmental and social performance are considerably positively associated with economic sustainable performance, demonstrating that the economic value of the firm and the creation of value for society are interdependent. Disclosure of ESG information to all stakeholders is an important factor in gaining a competitive advantage and improving business sustainability performance (Alsayegh et al., 2020)

2.2. OBJECTIVES OF THE STUDY

This research paper aimed to test/analyze the following:

1. To evaluate sustainable reporting practices at Maruti Suzuki and Tata Motors.
2. To measure the influence of sustainable reporting on corporate sustainability performance.



3. RESEARCH METHODOLOGY

It is explorative research to check the compliance of the GRI framework and UNGC principles in sustainable reporting of two selected automobile companies. A comparative case study approach was used to investigate the impact of sustainable reporting on the corporate sustainability performance of two prominent automotive companies, i.e., Maruti Suzuki and Tata Motors. These two corporations were purposefully chosen due to their market capitalization and are currently the dominant companies in the Indian automobile industry. Both of these companies are traded on the BSE (Bombay Stock Exchange) and the NSE (National Stock Exchange). A case study design allows for a more in-depth examination of these companies' sustainability reporting practices and sustainability performance.

Data were collected from publicly available sustainability reports, annual reports, and related documents of Maruti Suzuki and Tata Motors. The documents for five years (2018-2023) of Maruti Suzuki and Tata Motors were analyzed to give a thorough understanding of their reporting practices and performance trends for sustainability.

3.1. Brief Profile of Study Units

MARUTI SUZUKI INDIA LIMITED

Maruti Suzuki India Ltd (MSIL), with the market capitalization of rs.3.18 trillion, is India's largest passenger vehicle manufacturer, accounting for more than 50% of the local car market. The company became the largest subsidiary of Suzuki Motor Corporation (SMC) of Japan, which owns 56.48% of the company. The Company is India's market leader in Passenger Vehicles and the country's largest exporter of Passenger Vehicles. It has two cutting-edge production facilities in Haryana, Gurugram, and Manesar, capable of producing 1.5 million units each year. (*Maruti Suzuki India - Details and Nature of the Business*, n.d.). The non-financial material of Maruti Suzuki's reports was given per the Global Reporting Initiative (GRI) guidelines. MSIL published its first sustainable report in 2013 as per GRI norms. Furthermore, the Report adheres to the "Ten Principles of UN Global Compact (UNGC) and the National NGRBC (National Guidelines for Responsible Business Conduct). Companies that incorporate the Ten Principles of the UN Global Compact into their sustainable reports are not only fulfilling their basic responsibilities to people and the planet but also laying the groundwork for long-term success. The UN Global Compact is a framework for businesses based on ten principles in the areas of human rights, labour, the environment, and anti-corruption.

TATA MOTORS LIMITED

Tata Motors Limited (TML), a \$42 billion company, is India's largest automobile company and a global leader in the production of automobiles, utility vehicles, buses, trucks, and defence vehicles. The company's core principles include sustainability and "giving back to society." It has 76 subsidiaries in India and throughout the world that provide engineering and automotive solutions. TML published its first sustainability report in 2002 as per GRI norms. Tata Motors prepared sustainability report in accordance with the GRI Standards and the United Nations Sustainable Development Goals (UN SDGs). It has also implemented the Securities and Exchange Board of India's ("SEBI") Business Responsibility and Sustainability Reporting ("BRSR"), which includes increased ESG disclosures, and it was also included in the report for the year 2022-2023.

3.2. Content Analysis of selected companies

This study selected key elements within the GRI (Global Reporting Initiative) framework that pertain to economic, environmental, and social performance as the primary focus of analysis. The first qualitative analysis of sustainable performance across three key dimensions, environmental, economic, and social, was done. Following this, certain quantifiable indicators of these dimensions within the GRI framework were chosen for our quantitative analysis.

Table 1: Sustainability reporting practices at MSIL and TML as per GRI Standards

GRI Standards comprises 1 indicator and 4 sub-indicators for economic performance, 6 indicators and 32 sub-indicators for environmental performance, and 6 indicators and 32 sub-indicators for social performance.

(NOTE: This table represents Maruti Suzuki and Tata Motors' sustainability reporting practices during the past five financial years (FY 19-23) in accordance with various GRI standards. Checkmark (✓) indicates that the company reported particular GRI indicator in that year, crosse (X) denotes no reporting, and "NA" indicates that certain indicators were not applicable or not reported for that year).



| GRI Standards | MSIL | | | | | TML | | | | |
|---|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| | F.Y. 19 | F.Y.20 | F.Y.21 | F.Y.22 | F.Y.23 | F.Y.19 | F.Y.20 | F.Y.21 | F.Y.22 | F.Y.23 |
| GOVERNANCE INDICATORS | | | | | | | | | | |
| GRI 102: General Disclosures 2016 | | | | | | | | | | |
| 102-14 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| ECONOMIC PERFORMANCE INDICATORS | | | | | | | | | | |
| GRI 201: Economic Performance 2016 | | | | | | | | | | |
| 201-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 201-2 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 201-3 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 201-4 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| ENVIRONMENTAL PERFORMANCE INDICATORS | | | | | | | | | | |
| GRI 301: Materials 2016 | | | | | | | | | | |
| 301-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 301-2 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 301-3 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| GRI 302: Energy 2016 | | | | | | | | | | |
| 302-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 302-2 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 302-3 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 302-4 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 302-5 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| GRI 303: Water and Effluents 2018 | | | | | | | | | | |
| 303-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 303-2 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 303-3 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 303-4 | ✓ | ✓ | ✓ | ✓ | ✓ | ✗ | ✗ | ✗ | ✓ | ✓ |
| 303-5 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| GRI 304: Biodiversity 2016 | | | | | | | | | | |
| 304-1 | NA | NA | NA | NA | NA | ✓ | ✓ | ✓ | ✓ | ✓ |
| 304-2 | NA | NA | NA | NA | NA | ✓ | ✓ | ✓ | ✓ | ✓ |
| 304-3 | NA | NA | NA | NA | NA | ✓ | ✓ | ✓ | ✓ | ✓ |
| 304-4 | NA | NA | NA | NA | NA | ✓ | ✓ | ✓ | ✓ | ✓ |
| GRI 305: Emissions 2016 | | | | | | | | | | |
| 305-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 305-2 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 305-3 | ✗ | ✗ | ✗ | ✗ | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 305-4 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 305-5 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 305-6 | ✓ | ✓ | ✓ | ✓ | ✓ | ✗ | ✗ | ✗ | ✓ | ✓ |
| 305-7 | ✗ | ✗ | ✗ | ✗ | ✗ | ✗ | ✗ | ✗ | ✓ | ✓ |
| GRI 306: Effluents and Waste 2016 | | | | | | | | | | |
| 306-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 306-2 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 306-3 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 306-4 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 306-5 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |



| | | | | | | | | | | |
|--|---|---|---|---|---|---|---|---|---|---|
| 307-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| GRI 308: Supplier Environmental Assessment 2016 | | | | | | | | | | |
| 308-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 308-2 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| SOCIAL PERFORMANCE INDICATORS | | | | | | | | | | |
| GRI 401: Employment 2016 | | | | | | | | | | |
| 401-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 401-2 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 401-3 | ✓ | ✓ | ✓ | ✓ | ✓ | ✗ | ✗ | ✗ | ✓ | ✓ |
| GRI 403: Occupational Health and Safety 2018 | | | | | | | | | | |
| 403-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 403-2 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 403-3 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 403-4 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 403-5 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 403-6 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 403-7 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 403-8 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 403-9 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 403-10 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| GRI 408: Child Labour 2016 | | | | | | | | | | |
| 408-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| GRI 409: Forced or Compulsory Labour 2016 | | | | | | | | | | |
| 409-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| GRI 413: Local Communities 2016 | | | | | | | | | | |
| 413-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 413-2 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| GRI 414: Supplier Social Assessment 2016 | | | | | | | | | | |
| 414-1 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 414-2 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

Table 1 vividly describes the compliance of various Economic, Environmental, Social, and Governance indicators and sub-indicators by the study units during the study period. The major findings from the above table are that MSIL is not reporting its Scope 3 GHG emissions (305-3) and Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions (305-7). In earlier years, TML wasn't reporting about emissions of ozone-depleting substances (ODS) (305-6), Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions (305-7). So, it can be said that both companies are reporting most of the GRI standards consistently, and the sustainability reporting practices of Tata Motors have increased in the past two years.

ECONOMIC PERFORMANCE

The economic performance of a company is an indicator of its input and output (Meng & Zhou, 2021). The key performance indicators (KPIs) of economic performance as per GRI are sales volume, revenue, EBITDA, Net Auto Debt, earning per share, return on equity (ROE), and return on assets (ROA).

**Table 2: KPIs of Economic Performance of MSIL**

| GRI 201 | MSIL | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|
| | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | Average |
| Sales Volume(units) | 1,862,449 | 1,563,297 | 1,457,861 | 1,652,653 | 1,966,164 | 1,700,485 |
| Revenue (Rs. million) | 830,265 | 716,904 | 665,621 | 837,981 | 1,125,008 | 835,156 |
| EBITDA margin (%) | 15.76 | 14.07 | 11.77 | 8.43 | 11.19 | 12.24 |
| Net Auto Debt/ Shareholder's equity (Rs. million) | 461,415 | 484,370 | 513,668 | 540,860 | 603,820 | 520,827 |
| Basic EPS (Rs. million) | 253.26 | 187.95 | 145.30 | 128.43 | 271.82 | 197.352 |
| Diluted EPS (Rs. million) | 253.26 | 187.95 | 145.30 | 128.43 | 271.82 | 197.35 |
| Return on Equity (ROE) | 16.24 | 11.48 | 8.36 | 7.01 | 13.28 | 11.27 |
| Return on Assets (ROA) | 11.95 | 8.92 | 6.15 | 5.19 | 9.70 | 8.38 |

Table 2 shows the variation in MSIL's sales volume during the last five years, with the highest number of units sold (1,966,164) in 2022–2023. From 15.76% in 2018–19 to 8.43% in 2021–22, the EBITDA margin decreased; however, it slightly increased in 2022–23. A larger EBITDA margin is typically viewed favourably. From 16.24% in 2018–19 to 7.01% in 2021–22, the ROE fell; however, it rose to 13.28% in 2022–23. The ROE dropped from 16.24% in 2018–19 to 7.01% in 2021–2022 before increasing to 13.28% in 2022–2023. Over the past five years, MSIL's economic performance has experienced swings in sales, revenue, profitability, and financial leverage. Although the corporation faced difficulties in the middle years, it began to recover in the later years, especially in terms of revenue and profitability.

Table 3: KPIs of Economic Performance of TML

| GRI 201 | TML | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|------------|
| | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | Average |
| Sales Volume(units) | 1,274,072 | 961,463 | 837,783 | 1,086,734 | 1,335,819 | 1099174.20 |
| Revenue (Rs. million) | 3,049,040 | 2,610,680 | 2,497,950 | 2,784,540 | 3,459,670 | 2,880,376 |
| EBITDA margin (%) | 9.0 | 8.4 | 12.2 | 9.6 | 10.7 | 9.98 |
| Net Auto Debt/ Shareholder's equity (Rs. million) | 283,910 | 482,820 | 408,760 | 486,790 | 436,870 | 419,830 |
| Basic EPS (Rs. million) | (84.89) | (34.88) | (36.99) | (29.88) | 6.29 | (36.07) |
| Diluted EPS (Rs. million) | (84.89) | (34.88) | (36.99) | (29.88) | 6.29 | (36.07) |
| Return on Equity (ROE) | (47.90) | (19.13) | (24.34) | (25.67) | 5.32 | (22.34) |

Table 3 shows that the sales volume fluctuated for the company, but there was a noticeable rise in 2022–2023 when it reached 1,335,819 units. Revenue fell in 2020–21, recovered in the following years, and then increased significantly in 2022–23 to reach 3,459,670 million Rupees. Before 2022–2023, EPS was negative but changed to positive when it reached 6.29 million Rupees per share. Tata Motors' earliest years saw a negative ROE, which indicated a loss in terms of shareholder equity. However, with a positive ROE of 5.32% in 2022–2023, it greatly improved.



So, it can be concluded from Table 2 and Table 3 that the economic performance of MSIL is more favourable than the performance of TML because the average sales, revenue, EBITDA, ROE, and ROA of MSIL were greater than TML.

ENVIRONMENTAL PERFORMANCE

The impact and management of a business's actions on the natural environment is referred to as its environmental performance. It entails evaluating and improving the environmental aspects of a company's operations, such as resource use, waste management, and emissions (Panjaitan, 2021). As per GRI standards for measurement of environmental performance, energy consumption, GHG emissions, water withdrawal, and waste disposal were taken as metrics.

Table 4: KPIs of Environmental Performance of MSIL

| GRI 301 | MSIL | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-------------|
| | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | Average |
| Energy Consumption (GJ) | 8,347,563 | 6,395,615 | 4,359,507 | 4,840,721 | 5,121,749 | 5,813,031 |
| Energy Intensity (GJ/vehicle) | 4.53 | 4.82 | 3.82 | 4.07 | 3.87 | 4.22 |
| Water Withdrawal (KL) | 2,228,613 | 1,927,036 | 1,622,206 | 1,747,091 | 2,052,071 | 1,915,403.4 |
| Scope 1 GHG Emissions (Tonnes CO ₂ e) | 4,52,924 | 3,37,343 | 197,134 | 216,354 | 223,289 | 285,408.8 |
| Scope 2 GHG Emissions (Tonnes CO ₂ e) | 35,910 | 92,141 | 193,962 | 201,769 | 206,626 | 146,081.6 |
| GHG Emissions Intensity (Tonnes CO ₂ e per vehicle manufactured) | 0.273 | 0.326 | 0.343 | 0.349 | 0.321 | 0.322 |
| Waste Disposal (Hazardous) (Tonnes) | 19,398 | 17,422 | 15,642 | 17,541 | 19,300 | 17,860.6 |
| Waste Disposal (Non-Hazardous) (Tonnes) | 160,855 | 127,391 | 109,725 | 123,895 | 138,618 | 132,096.8 |

Table 4 shows that while energy use, water use, GHG emissions, and waste disposal have all decreased over time, MSIL's environmental performance has improved. The aforementioned table also reveals that Maruti Suzuki's environmental performance was at its peak in the years 2020–21, i.e., during the Corona period.

Table 5: KPIs of Environmental Performance of TML

| GRI 301 | TML | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|-------------|
| | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | Average |
| Energy Consumption (GJ) | 1,368,857 | 1,540,933 | 1,983,235 | 2,590,391 | 2,925,632 | 2,081,809.6 |
| Energy Intensity (GJ/vehicle) | 5.04 | 5.07 | 4.14 | 4.87 | 4.61 | 4.74 |
| Water Withdrawal (KL) | 1,787,737 | 2,139,464 | 1,336,479 | 1,658,929 | 1,261,504 | 1,636,822.6 |
| Scope 1 GHG Emissions (Tonnes CO ₂ e) | 237,984 | 209,286 | 163,031 | 173,296 | 176,616 | 192,042.6 |



| | | | | | | |
|---|-----------|---------|---------|---------|----------|-----------|
| Scope 2 GHG Emissions (Tonnes CO ₂ e) | 555,745 | 423,516 | 346,712 | 399,037 | 367,930 | 418,588 |
| GHG Emissions Intensity (Tonnes CO ₂ e per vehicle manufactured) | 0.69 | 0.69 | 0.529 | 0.459 | 0.359 | 0.54 |
| Waste Disposal (Hazardous) (Tonnes) | 12,872.36 | 13,480 | 10,585 | 14,918 | 9,376 | 12,246.27 |
| Waste Disposal (Non-Hazardous) (Tonnes) | 45,601 | 137,462 | 207,020 | 153,966 | 1,60,468 | 140,903.4 |

Table 5 shows an increase in the environmental performance of Tata Motors as the energy consumption, water withdrawal, GHG emissions, and waste disposal have decreased over the past 5 years.

From the above-mentioned Table 4 and Table 5, it can be concluded that the average energy consumption, water withdrawal, and scope 1 emissions of MSIL are more than TML. However, the average energy intensity, scope2 emissions, and hazardous and non-hazardous waste disposal of MSIL is less than TML. So, the overall environmental performance of MSIL has been more favourable than TML over the last 5 years.

SOCIAL PERFORMANCE

Social performance refers to an organization's interactions with its stakeholders on a broad scale, encompassing more than just owner wealth (Napier et al., 2023). As per GRI standards, employee turnover, occupational health, and safety were taken as metrics for the measurement of social performance.

Table 6: KPIs of Social Performance of MSIL

| GRI 401 | MSIL | | | | | |
|--|---------|---------|---------|---------|---------|----------|
| | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | Average |
| EMPLOYEE TURNOVER (REGULAR EMPLOYEES) | | | | | | |
| Total Turnover (voluntary and involuntary) | 510 | 549 | 429 | 770 | 827 | 617 |
| Employee Count (Regular and Non-Regular) | 33,282 | 34,197 | 37,156 | 39,287 | 38,299 | 36,444 |
| Employee benefit expenses (Rs. million) | 32,549 | 33,839 | 34,028 | 40,222 | 46,051 | 37,377.8 |
| OCCUPATIONAL HEALTH AND SAFETY | | | | | | |
| Regular Employees (Per million person-hours worked) | | | | | | |
| Fatality Rate | 0 | 0 | 0 | 0 | 0 | 0 |
| Recordable work-related injury rate | 0.031 | 0.030 | 0.053 | 0.017 | 0 | 0.0262 |
| Lost time injury rate | 0 | 0 | 0.027 | 0 | 0 | 0.0054 |
| Non-regular Employees (Per million person-hours worked) | | | | | | |
| Fatality Rate | 0 | 0 | 0 | 0.018 | 0.036 | 0.0108 |
| Recordable work-related injury rate | 0.061 | 0.023 | 0.020 | 0.092 | 0.071 | 0.0534 |
| Lost time injury rate | 0 | 0 | 0 | 0.055 | 0.036 | 0.0812 |

Table 6 shows that employee turnover has increased over the years, which could be a challenge for the company in terms of talent retention and recruitment. The increase in employee benefit expenses indicates a commitment to employee welfare and investment in human capital. In terms of occupational health and safety, the organization had an excellent safety record, with zero fatalities among regular employees and typically low injury rates for both regular and non-regular personnel. Overall, MSIL looks to prioritize employee



safety and welfare, which is a favourable aspect of its social performance. However, minimizing employee turnover may necessitate extra effort to ensure a stable and skilled workforce.

Table 7: KPIs of Social Performance of TML

| GRI 401 | TML | | | | | |
|--|---------|----------|----------|----------|----------|---------|
| | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | Average |
| Employee Turnover (Regular Employees) | | | | | | |
| Total Turnover (voluntary and involuntary) | NA | NA | 4422 | 4,659 | 1374 | 3,485 |
| Employee Count (Regular and Non-Regular) | 52,757 | 42,597 | 50,837 | 52,351 | 56,727 | 51,054 |
| Employee benefit expenses (Rs. million) | 42,731 | 43,843.1 | 42,129.9 | 36,015.1 | 40,216.3 | 40,987 |
| OCCUPATIONAL HEALTH AND SAFETY | | | | | | |
| Regular Employees (Per million person hours worked) | | | | | | |
| Fatality Rate | 0 | 0 | 0 | 0 | 0 | 0 |
| Recordable work-related injury rate | 0.94 | 0.40 | 1.39 | 0.829 | 0.707 | 0.853 |
| Lost time injury rate | 0.08 | 0.1 | 0.09 | 0.26 | 0.14 | 0.134 |
| Non-regular Employees (Per million person-hours worked) | | | | | | |
| Fatality Rate | 0 | 0 | 0 | 0.016 | 0 | 0.0032 |
| Recordable work-related injury rate | 0.61 | 0.39 | 1.39 | 0.177 | 0.1515 | 0.5437 |
| Lost time injury rate | 0.1 | 0.08 | 0.26 | 0.27 | 0.15 | 0.172 |

*NA: Data wasn't available for that particular period

Table 7 demonstrates that the employee turnover of TML fluctuated with a big increase in 2021-22, followed by a significant decline in 2022-23. Employee benefit spending has remained largely stable over the years, indicating a sustained commitment to employee welfare. TML has a strong safety record, with no fatalities among regular employees and generally low injury rates for both regular and non-regular employees.

So, it can be concluded from the above-mentioned Table 6 and Table 7 that the social performance of MSIL is better than that of TML in terms of employee turnover, fatality rate, and lost time injury rate.

CONCLUSION

In conclusion, both Maruti Suzuki India Limited (MSIL) and Tata Motors Limited (TML) demonstrate compliance with the GRI framework for sustainable reporting, highlighting their commitment to sustainability principles. Despite TML's earlier adoption of sustainable reporting in 2002, MSIL has shown superior compliance consistency and robustness in aligning with GRI standards in recent years.

The comparative analysis reveals that MSIL outperforms TML across various dimensions of corporate sustainability performance. Economically, MSIL maintains a stronger position with higher averages in sales, revenue, EBITDA, ROE, and ROA. Environmentally, MSIL exhibits better resource management and lower waste intensity. Socially, MSIL outpaces TML in employee safety, welfare, and stability, as evidenced by lower injury rates and turnover levels.

These findings underline MSIL's strategic prioritization of sustainability as a core business objective, setting a benchmark for corporate sustainability practices in the Indian automobile industry. Nonetheless, both companies have made substantial progress, reinforcing the importance of sustainable reporting frameworks like GRI in driving accountability, transparency, and long-term value creation.

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