

# Future of Business Reporting in India: An XBRL Perspective

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## Abstract

Effective and transparent business reporting enables firms to communicate with internal and external stakeholders, including customers, employees, shareholders, creditors, and regulators, clearly and concisely. Strong and sustainable businesses, financial markets, and economies all depend on high-quality business reporting because it gives interested parties the information they need to evaluate an organization's performance and make defensible choices about its ability to produce and keep value. Value in this sense can include social, environmental, or broader economic value in addition to monetary value. Organizations should give their stakeholders high-quality reports because their success is entirely dependent on them. For instance, efficient, high-quality reporting lowers the risk for lenders and could result in lower capital costs. This paper intends to analyze the conceptual aspects of future business reporting in India. For this purpose, the data was collected purely from secondary sources through articles, journals, books, government reports, etc. And discovered that integrated reporting based on XBRL is the most trustworthy method of communicating with all stakeholder classes.

**Keywords:** Business Reporting, Financial Reporting, Non-Financial Reporting, Integrated Reporting, XBRL

## Background

Effective and transparent business reporting enables firms to communicate with internal and external stakeholders, including customers, employees, shareholders, creditors, and regulators, clearly and concisely.

Strong and sustainable businesses, financial markets, and economies all depend on high-quality business reporting because it gives interested parties the information they need to evaluate an organization's performance and make defensible choices about its ability to produce and keep value. Value in this sense can include social, environmental, or broader economic value in addition to monetary value. Organizations should give their stakeholders high-quality reports because their success is entirely dependent on them. For instance, efficient, high-quality reporting lowers the risk for lenders and could result in lower capital costs.

In this paper, the focus is on the future of business reporting in India. Therefore, this paper is organized as follows: a review of literature, research gap, research questions, methodology.

## Review of Literature

### Literature on Financial Reporting

Literature reviews are crucial to the research approach. By reviewing the literature, a researcher can expand on prior research or help to address its inadequacies. When the study's results are compared to earlier results, it also aids in validating the findings. Researchers from India and outside have performed numerous studies on the corporate disclosure practices that are common in various nations. Naturally, these discoveries have opened the door for additional investigation and study. Education is a communal endeavor, and no kind of research can ever be carried out in isolation. Therefore, all scholars owe a huge debt of gratitude to their forebears in the field. Numerous

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studies on various facets of the disclosure have been carried out in India and overseas. Following is a survey of the relevant financial reporting literature:

Gupta (1977) investigated the methods used in India, Australia, the United States, the United Kingdom, and other countries. The study's findings demonstrated that current reports lacked the information necessary for today's complicated business environments and that it was not being disclosed. He advised that the annual reports of the companies should comprise a summary of the balance sheet and profit and loss account, explanatory statements, statistical data, diagrams, charts, etc. The emphasis on shareholders should be highlighted in the financial reports, which should be more helpful, informative, and all-purpose reports. The author also emphasized the need to evaluate the disclosure laws in India and other nations.

Singh and Bhargava (1978) analyzed the disclosure policies of 40 public firms for the years 1972–1973. After reading through the annual reports of these companies, a 35-item index of financial and non-financial data was created. The relationship between disclosure quality and organizational structure and industry type was also researched. The study's conclusions showed that the quality of disclosure differed significantly among enterprises and that the nature of the industry had a significant impact on that quality while the organizational structure had no bearing. They argued that improved information may enhance the transparency and reputation of public sector organizations, and that management should show proper concern for the quality of information sharing. To address the expanding demands of the many interested parties, the government should also set a minimum transparency standard for businesses.

Lal (1985) analyzed 180 private manufacturing enterprises' financial reporting practices were examined them between 1965 and 1975. 50 items of information with 104 sub-items were taken into account to gauge how much information was disclosed in these companies' annual reports. The author looked at how four corporate traits, including asset size, earnings margin, industry type, and affiliation with big industrial companies, affected the quality of disclosure. The findings showed that during the study period, the quality of disclosure significantly increased. The level of disclosure was positively correlated with the company's size, earnings margin, industry, and

affiliation with a big industrial house. In addition, he concluded that among the four firm characteristics, the size of the business had a stronger correlation with the degree of disclosure than the other three factors.

Rathod (1990) studied the most recent financial reporting trends in India's corporate sector. The study is based on the 1987–1988 annual reports of 10 public limited firms. Findings showed that the businesses were delivering their annual reports in magazine format while leaving the front cover blank except for writing down the firm name and the relevant year. The company directories were provided by all the companies under investigation. About half of the companies under study provided the annual report's table of contents. The directors' report, which is regarded as the core of the annual report, gave consumers access to a wealth of qualitative and quantitative data. In the end, he concluded that in the modern context, corporate financial reporting had gained tremendous value.

Agarwal (2013) undertook a study to assess how emerging capital markets' company financial reporting procedures. The study primarily concentrated on the difficulties associated with integrating local GAAP and IFRS. The researcher also concentrated on examining the most recent developments in corporate financial reporting. In this study, modern trends like IFRS and XBRL are the main focus. The study concluded that the quality of financial reporting depends on the successful adoption and application of higher accounting and reporting standards in the global context.

Zeff (2013) recommended that financial reporting be done using a certain conceptual framework that helps to ensure the achievement of key goals including caution, stewardship, and other important factors. The researcher also asserted that poor quality financial reports result from their construction, thus management should take these factors into account.

Uyar (2016) concluded that technological developments in financial reporting offer greater possibilities for improved company reporting to external stakeholders. The study also discovered that technological advancements are being adopted by forward-thinking businesses around the world in the context of corporate reporting. Additionally, according to this research, all regulatory bodies must accept and implement the technological aspects in corporate filings by the companies.

Srinivasan and Marques (2017) by examining the financial reporting practices of companies in the Indian automobile industry, can assess the readability of financial reports. They looked at the material utilized in the management discussion and analysis portion of selected corporations' annual reports for this reason. Throughout the investigation, they discovered a sizable variation in the readability of financial reports. Additionally, they stated that since annual reports serve the demands of numerous stakeholders, it is necessary to simplify the texts utilized in them.

Tadros et al. (2020) evaluated the variables affecting the sample of US companies' financial reporting of data on environmental performances. They concluded that the corporations' disclosures are unaffected by their level of environmental performance. Even when no environmental performance is being made, the companies nonetheless report the information.

### Literature on Financial Reporting through XBRL

Olsen and Jenson (2003) in their descriptive research, concluded that XBRL reporting allows corporate organizations to share business and financial information via the web by tagging the data based on standardized meaning and context as per specific accounting GAAP. It also facilitates effective information exchange. The taxonomy-based reporting also enables businesses to quickly and easily compare the financial performance of several businesses in similar groups.

Plumlee and Plumlee (2008) examined the effects of financial data in XBRL format reporting on ensuring the accuracy of the information reported. They gave evidence. the process for preventing financial statement errors, the process for how every component of the financial factor is material information, as well as how XBRL aids businesses in compliance assurance. With the authorities in charge. Additionally, they focused on and recommended the areas for scholarly study and additional XBRL assurance research potential. Satisfies legal requirements while streamlining the management and reporting processes compliance requirements and the precise information requirements of various corporate stakeholders.

Isenmann and Gomez (2009) developed the XBRL reporting architecture taxonomy through an experimental study to enable European businesses to convey sustainability information in a standardized format and achieve harmonization in triple bottom line reporting in the European setting. The taxonomy for sustainable reporting was developed using the overall XBRL financial reporting taxonomies design. They concluded that the firm could benefit greatly from using a sustainable reporting taxonomy, including easy information exchange between report preparers and users, assistance with an effective information management process, ease in the reporting process, and satisfaction of both regulatory compliance requirements and precise information needs of various business stakeholders.

Apostolou and Nanopoulos (2009) undertook a descriptive study to evaluate how the adoption of XBRL for reporting with IFRSs in the European setting has affected the market. Their primary goal is to offer a factual opinion on the advantages of XBRL implementation for businesses, investors, and regulators. Additionally, they looked at how XBRL affected corporate governance and the financial disclosure framework. They concluded that XBRL adoption lowers the cost of financial reporting and helps businesses increase the accuracy, comparability, and readability of their financial statements. They think that the adoption of XBRL for financial reporting lowers agency costs in the context of corporate governance. They asserted that it aids worldwide accounting system harmonization and IFRS compliance in the context of financial transparency.

Hoffman and Rodríguez (2013) the problems and difficulties of the digital financial reporting system conceptually described. They claimed that because the business rules are already pre-coded into the taxonomy, digitalized financial reporting using XBRL taxonomies enables enterprises to quickly comply with regulatory obligations. They emphasized that while XBRL can readily provide interoperable reports for a variety of stakeholders, semantics presents a greater barrier in XBRL reporting.

La Rosa and Caserio (2013) questioned Italian auditors to gauge their level of acceptance of XBRL-based financial reporting and assess its applicability to their auditing responsibilities in Italy. They participated in

data collection for this reason using structured and semi-structured questionnaires delivered by email and offline. They discovered that independent auditors in Italy have little interest in XBRL and give various justifications for why they don't want to adopt this new technology in their auditing job. They used a variety of case-study methodologies as their research strategy. The regulatory body may have an impact on whether Italian auditors choose to use XBRL for auditing reasons. The researcher went on to argue that the economic and technical components of XBRL might increase auditors' interest in using this new technology, thus regulatory agencies and software companies should concentrate on this aspect when creating the XBRL format. Many of Italy's independent auditors expressed the opinion that XBRL is ineffective because it conveys the same information as the conventional style of financial reporting. They concluded that actions must be taken to increase the likelihood that Italian auditors will utilize XBRL technology for auditing purposes.

Papa and Luisi (2014) assessed 37 financial report preparers' survey responses in Italy to determine how well XBRL can be used to create and guarantee intellectual capital reports for businesses (ICR). To collect information from Chief Financial Officers and Chartered Accountants in Italy, the authors used a questionnaire survey method. They conducted the research on a variety of topics, including the value of ICR, awareness of XBRL, its advantages, its taxonomy, and its assurance, as well as the significance of digital reporting. They discovered that ICR is more crucial. The CFOs and CAs in Italy have a low degree of awareness. However, they believed that XBRL improved data integrity and improved the comparability of financial accounts. They also discovered that financial statement preparers are not familiar with the technical aspects of XBRL taxonomy.

Lipunga (2014) examined the extent of Malawi's implementation of Internet-based Financial Reporting (IFR). The author has employed text analysis as a method of data collection to gauge the extent of IFR implementation. IFR Index was applied to analyze the outcomes. The study's findings showed that 61.5 percent of Malawian businesses were using IFR, but that adoption was only at a low level (0.28 percent overall). The study concluded by advising businesses to adopt IFR to benefit

from its increased flexibility and dependability of the overall financial reporting system.

Fijałkowska (2014) argued that to support stakeholders in making decisions that are competitively advantageous in the globalized business environment, it is essential to communicate to end users information about the business organization's other activities and performance in addition to its financial results. Operational, environmental, and societal factors—commonly referred to as the “triple bottom line”—require additional information from the corporate organization. It is vital to have some standardized media, such as XBRL, to communicate this information. Therefore, XBRL (Extensible Corporate Reporting Language) will be used by business organizations in the future to effectively and thoroughly communicate both financial and non-financial information.

Troshani et al. (2015) explored the general process of XBRL technology internationalization for financial reporting. They discovered that diverse firms are quickly using XBRL technology without reaping or understanding its true benefits. The writers performed several structured interviews for this reason. They found that the information shared with various parties from the interview responses is more credible when XBRL reporting is used.

Eni (2015) investigated how Romanian accountants felt about XBRL. They added a case-study method based on the US GAAP taxonomy to their description of the mapping process. They gathered information from Romanian accountants using a questionnaire method, and they concluded that the majority of Romanian accountants are not familiar with XBRL and its uses, and they are also uninformed about how XBRL has been implemented there. They claimed that Romania does not use XBRL. The accountants are still supportive of having a method that enables automated financial statement production, editing, re-editing, etc., which is made feasible with the aid of XBRL.

Raju (2017) studied how extensible business reporting language was used in Indian commercial and industrial businesses. The study's primary objectives were to examine XBRL's implementation elements, the functioning structure of commercial and industrial taxonomies by regulatory requirements, the qualitative aspects of financial information, and the degree of XBRL knowledge among

various stakeholders. The investigation concluded that C and I taxonomy and operational transparency have improved in corporate organizations. The study also noted that different stakeholders had varying degrees of knowledge about XBRL.

Makni et al. (2018) examined the impact of XBRL adoption on Belgian company audit costs. From 2002 to 2014, they looked at 147 annual reports of non-financial companies. According to the report, the adoption of XBRL has a significant impact on lowering the firms' audit costs. Their empirical findings suggested that XBRL has a more favorable effect on large-sized businesses. However, they should continue to retain adequate financial, technological, and intellectual resources to effectively deploy XBRL and reap its beneficial effects.

Alaa and Ahmed (2018) have investigated how XBRL technology affected the information system environment's financial reporting process. They concluded that the repetitive tasks involved in the financial reporting process are eliminated by XBRL-based financial reporting systems. They also stated that according to their opinion, XBRL financial reporting enables businesses to report and communicate information to the demands of various regulatory authorities located within a specific business environment. They also stated that XBRL contributes to improving the quantity, speed, and quality of information that is communicated to end users.

Chou et al. (2018) technically examined the effect of XBRL Financial Reporting on integrating different pieces of information. Using the Topical Link Model (TLM), their research revealed that TLM enables both preparers and consumers of financial data to comprehend the connections between various types of data that financial reports in XBRL format provided. This allows for speedy decision-making by both financial information preparers and users with more precision and less time and effort.

Efimova et al. (2018) examined the ability of XBRL technology to transmit both financial and non-financial information to various stakeholders, as well as its potential strength in meeting stakeholder information needs in a specific corporate setting. They conducted their research for this goal using a two-dimensional methodology that involved investor surveys and corporate interviews. They stated that they believed XBRL had a great potential to combine and promote both financial and non-

financial information in a single report. However, they recommended that for it to be implemented successfully, accounting professionals need to receive training in using digital technologies and harmonizing GAAPs to encourage effective financial and non-financial reporting.

Rahwani et al. (2019) studied how XBRL technology was used in different filings in the Indonesian context. They specifically looked at whether XBRL reporting could be used for company filings. They concluded that XBRL-based financial reports are interchangeable and simple to share with other regulatory bodies. This enables regulatory agencies to easily collect the necessary data from businesses.

### Literature on Indian Perspective

Vasal and Srivastava (2002) had conducted a study that emphasized major issues in delivering the information of the business by adopting XBRL. In its paper genesis of XBRL, XBRL and the global scene, XBRL entities, etc. were discussed further in its study and also emphasized the current status of XBRL in India.

The MCA e-governance project and XBRL implementation are discussed in this case study. Since the US market dominated the academic XBRL study, it was important to look at how XBRL was used in non-US nations. Therefore, the focus of this study was on XBRL adoption in India. Indian implementation was distinct since it was the first instance where XBRL submissions needed auditor certification. The study, therefore, had significance for global network auditors as well as for companies operating in India and other nations whose regulator is pursuing a similar XBRL implementation strategy. The MCA recognized several advantages, including cost savings, data accuracy, and ease of access to data. But there were numerous issues with the MCA implementation procedure. To begin with, taxonomy has structural flaws. The Indian taxonomy is closed, meaning that there are no extensions (Farewell et al., 2013).

### Literature on Future Perspective

The paper's primary goal was to present a summary of the state of the research on XBRL at the time it was written. It also looks at the possibilities for future study, paying

particular focus on the importance of XBRL-formatted financial statements, corporate governance, and assurance on XBRL example papers submitted to the SEC alongside conventional filings. There is a huge need for more research. The first is the creation of sophisticated footnote taxonomy, the second step is taxonomy mapping, which links taxonomies from different jurisdictions. Thirdly, translation of taxonomy items between languages. Fourth, the strength of different taxonomy the fifth step is the creation of taxonomy for risk assessment, and the next two steps are behavioral research and the usage of XBRL in auditing (Srivastava, 2009).

The study's goal was to learn more about the degree of XBRL knowledge that accountants and auditors possess as well as how important they believe it is to provide the necessary level of assurance. Data from CPAs with all levels of experience was gathered using an online survey questionnaire. Information about the significance, necessity, and need for assurance on XBRL financial information was acquired through the survey. The relevance of assurance for accuracy, completeness, existence, proper taxonomies, suitable extensions, valid extensions, validity, and well-formedness was also questioned by the participants. A 7-point Likert scale was used to gauge respondents' agreement or disagreement with the assertions. The outcome revealed that confidence in XBRL financial statements was significant to accountants and auditors (Venkatesh & Armitage, 2012).

Wickop et al. (2012) emphasized the effects of XBRL on several elements, including quality, development, efficiency, and adaptability. The problems are related to adoption effort, unpredictability, and quality. The greater comparability, accuracy, and improved analysis provide evidence of how XBRL has improved quality. In terms of development features, the focus is on enhanced market effectiveness and cutting-edge standardization. When it comes to efficiency, XBRL has a positive impact on time savings, reduced effort, and improved communication. Finally, XBRL had an impact on system flexibility and conceptual flexibility when it came to flexibility. The study's primary goal was to create broad categories and subcategories that would describe impacts, problems, and previous research. A sample of 40 publications was selected for the study and separately "open coded" by

two authors, both of whom have a solid understanding of data coding. The authors concluded that several research areas have been covered throughout the previous ten years. Because of this, researchers who are unfamiliar with the subject or who are concentrating on a single component of XBRL may find it difficult to keep track of ongoing research and the applicability of certain research issues. The focus of future studies should be on character-based problems with XBRL adoption efforts relating to infrastructure and conceptual flexibility. The economic impact of XBRL may be a significant subject of investigation.

## Research Gap

An extensive review of earlier studies on the financial reporting context reveals that the majority of the literature has focused on the current status and other aspects of financial reporting. Only studies have focused on the future of business reporting perspective in India, so this study is indented to conceptually analyze the "prospects of business reporting in India".

## Research Questions

Based on the research gap study framed the following research questions:

- What is the current status of business reporting in India?
- What is the prospect of business reporting in India?

## Research Objective

Based on the research questions study framed the following objectives:

- To conceptually examine the concept of business reporting in India.
- To analyze the future of business reporting in India.

## Methodology

The present paper is conceptually in nature. For this purpose, secondary data is collected through articles, journals, books, government reports, etc.

## Discussion

### Concept of Business Reporting in India

As a manager, one has a lot on his plate, and while one tries to help and monitor his team, he/she also has tons of other responsibilities to attend to, including clients, emails to send, appointments to fix, and issues to resolve. Work-related distractions cause you to become cut off from the core of the initial project. Although one can trust his/her team, one still needs a mechanism to monitor their progress and evaluate their performance to spot the potential for growth and problem areas. Business reporting can help with this.

Business reports are essential resources for any corporation, regardless of size or industry. Such business reporting is mandated by law, such as financial reporting as specified by the controlling entities. However, organized company monitoring and reporting are crucial for regular updates to keep management and other stakeholders informed.

Business reporting is the disclosure of operating and financial data to the general public by a business entity or the routine information delivery to decision-makers within an organization to assist them in their duties.

### The Importance of Business Reporting

Effective and transparent business reporting enables firms to connect with internal and external stakeholders, including clients, staff, shareholders, creditors, and regulators, and to offer a coherent explanation of their operations.

Strong and sustainable businesses, financial markets, and economies all depend on high-quality business reporting because it gives interested parties the information they need to judge the performance of an organization and make defensible choices about its ability to produce and keep value. Value, in this case, might refer to social, environmental, or broader economic value as well as monetary value, thus it's not only about the dollar amount. It is in the best interest of organizations to deliver high-quality reports to their stakeholders since their support is essential to their long-term success. For instance, efficient,

top-notch reporting lowers the risk for lenders and could minimize the cost of funding.

Numerous organizations are becoming more complicated and leaving behind bigger social, environmental, and economic imprints. As a result, many stakeholder groups are calling for more Environmental, Social, and Global (ESG) data as well as more understanding of how these aspects impact financial performance and values.

Better internal decision-making is also encouraged by high-quality reporting. One of the key factors in long-term organizational performance is access to high-quality information, which is essential to the management of the firm.

Financial regulatory reporting, environmental, social, and governance (ESG) reporting, sustainability reporting, and increasingly integrated reporting are just a few of the many reporting activities that organizations engage in.

Organizations share information with their stakeholders about their goals, vision, objectives, and strategy, as well as governance procedures and risk management, trade-offs between short-and long-term strategies, and financial, social, and environmental performance (how they have fared against their objectives in practice).

### Contents to be Included in Business Reports

- A complete set of financial statements normally include:
  - Balance sheet
  - Statement of profit and loss
  - Cash flow statement
  - Notes including those relating to accounting policies and other statements and explanatory material that are an integral part of financial statement
- Taxation compliance report
- Other compliance reports as per labor law
- Reports related to employee state insurance act:
  - Gratuity act
  - Pension
  - Maternity
  - Bonus
  - Labor welfare fund
  - Social security and protection fund etc.

- CSR (Corporate social responsibility) Report
- Ministry of corporate affairs and ROC compliance reports
- FEMA AND RBI compliance reports
- Environmental compliance report
- Management discussion and so on

To gain a good understanding of how a firm is structured, some financial and non-financial information is needed. Financial reporting is used to disseminate financial information. It makes available business and financial information through financial statements, notes to accounts, and other narrative sections in the annual report for a specific time. Businesses can share information in a variety of methods, such as annual reports, press conferences, annual meetings, and publications. The most important and effective way to notify clients about business and financial information, nevertheless, is through an annual financial report (Boston, 1997; Kavitha & Nandagopal, 2011; Harris & Morsfield, 2012; Abhishek et al., 2018; Abhishek et al., 2020; Acharya & Abhishek, 2020). Experts in financial reporting believe that using yearly reports to communicate company and financial information is the most effective strategy. It encourages the dissemination of information that is correct, timely, lucid, trustworthy, and objective (Naser & Nuseibeh, 2003).

As a result of globalization, business organizations increasingly work in a highly dynamic and complex environment. Therefore, stakeholders must have multidimensional knowledge before making economic decisions about the business organization they are interested in. In the present company environment, stakeholders should be able to communicate all the information they require thanks to business financial reporting practices. EBR is the sole available method for providing stakeholders with all types of information they require (Enhanced Business Reporting). It is possible to apply XBRL thanks to XBRL (Extensible Business Reporting Language). Corporate groupings ensure reliable information exchange and efficient readiness.

### **XBRL and its Role in Business Reporting**

XBRL is an open, non-profit global standard for digital company reporting that is overseen by XBRL

International. More than 50 nations utilize XBRL as a standard. Every year, millions of XBRL documents are produced to replace outdated paper-based reports with more accurate, efficient, and valuable digital equivalents.

In a nutshell, XBRL offers a language that may be used to authoritatively define reporting words. The information in financial statements or other types of compliance, performance, and business reports can then be uniquely represented by those phrases. Rapid, precise, and digital information transfer between enterprises was made possible by XBRL.

A standard-based method of exchanging business information between business systems is XBRL. The metadata used to define these communications is laid down in taxonomies, which also contain the connections between concepts and other semantic meanings as well as the description of each reporting concept individually. Within an XBRL instance, information is presented that is being shared or transmitted.

The transition from paper-based, PDF- and HTML-based reports to XBRL-based ones is comparable to the transition from film to digital photography or from paper to digital maps. The information is precisely defined, platform-independent, testable, and digitized in the new format, so you can still accomplish everything that was previously possible while also gaining access to several additional features. Digital business reports in XBRL format, like digital maps, make it easier for anyone to use, share, analyze, and enhance the value of the data.

XBRL, also known as “bar codes for reporting,” improves reporting accuracy and productivity. It enables distinct tags to be connected to reported facts, giving those who publish reports the assurance that the data they include may be accurately consumed and analyzed.

Ashok and Abhishek (2019) analyzed the quality of the Indian financial reporting system using XBRL. Data from 5 Indian companies was obtained by them. According to the study, XBRL-based financial information reporting that complies with accounting standards will provide excellent transparency and completely meet the needs of diverse stakeholders. By implementing XBRL and without adopting XBRL, the data were collected based on the data quality category and date quality dimensions.

The belief of accountants, auditors, and academics that the use of XBRL will enhance the whole financial reporting system of business was taken into consideration while examining the impact of XBRL on financial reports and auditing Ashoka et al. (2020).

### Future Road Map of Business Reporting in India

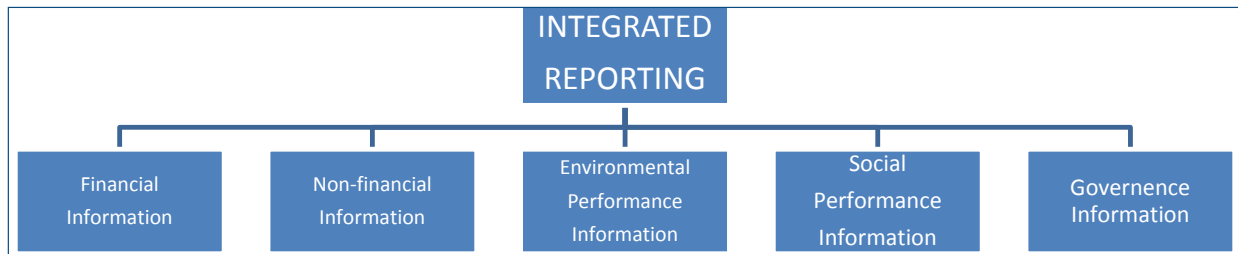
In the last ten years, Integrated Reporting (IR), a new phenomenon in the field of corporate reporting, has gained a lot of momentum. To reflect the economic, social, and environmental context in which an organization operates, integrated reporting combines data on its strategy, governance, performance, risks, and opportunities. It results from the historical evolution of business reporting initiatives, both financial and non-financial. Organizations must address the demands of stakeholders. However, because the requirements of stakeholders are dynamic and alter over time, organizations furthermore need to alter how they convey facts to them. Stakeholders formerly had predominance in financial statements, there is currently expanding paying attention to other organizational, and non-financial factors including social and environmental implications as well as governance frameworks. The usefulness and dependability of yearly financial reports as well as an organization’s capacity for sustainable operations are being questioned by stakeholders. As a result, there is a growing need for a more comprehensive, integrated form of accountability and corporate reporting model that will integrate financial and non-financial information in a meaningful way. This requirement led to

the development of a particular idea known as “Integrated Reporting.”

Since the presence of IR expanded from 0% in 2010–2011 to 4% in 2015–2016, it has been seen that integrated reporting is gradually becoming a developing phenomenon among the top-valued corporations. Positively, it can be deduced from the survey that Indian businesses are nearly well-prepared to adopt and implement “integrated reporting” per the IIRC framework Ghosh (2019).

XBRL has been used as a method to do a study on the effective disclosure of integrated business information. They gathered the data through a questionnaire and by observing financial reports in XBRL and NON-XBRL formats, as well as articles from newspapers, journals, and other sources. The responses were divided into five groups, including academics, financial analysts, chartered accountants & auditors, and others. It was discovered that using XBRL to disclose integrated company information is effective and beneficial to all parties involved Abhishek et al. (2018).

Ashoka and Abhishek (2019) researched the effectiveness of integrated reporting and the contribution of XBRL to its promotion in the context of India. In their study, they showed and discussed the development of corporate reporting. Primary data was gathered using structured questionnaires both online and offline, and secondary data was gathered using publications, newspapers, websites, government reports, etc. They concluded that delivering integrated information to end users as necessary, and they also noted the need to maintain the consistency and uniformity of integrated information transmission.



**Fig. 1: Template of Future Business Reporting Elements**

### Conclusion

Given that an organization offers strategic information that promotes the evaluation and engagement of various stakeholders, integrated reporting will aid corporations

in providing information about their financial results, corporate governance, and sustainability.

At present, companies are focusing mainly on providing mandated financial information, but it is not sufficient to make sound decisions for stakeholders. For this purpose,

we observed that business reports containing financial, non-financial, environmental, social, and governance information comprehensively cater to the dynamic needs of stakeholders in their decision-making process. Thus, Integrated Reporting will be the future of business in India and across the globe.

## Future Research Gap

The present paper is conceptual because Integrated Reporting is still in its infancy stage. Therefore, future researchers can address empirical aspects such as a pattern of reporting, the technological aspect of Integrated Reporting, perceptual study, and so on.

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