

ABSTRACT

This study aims to analyze the effect of Corporate Social Responsibility (CSR), institutional ownership, and audit committee on financial distress, with capital structure as a moderating variable. Financial distress refers to a severe financial condition that may lead to bankruptcy if not properly managed. CSR is considered a form of corporate responsibility toward stakeholders, which can enhance the company's image and business sustainability. Institutional ownership and the audit committee function as governance mechanisms that may help control financial risk. In this context, capital structure is used to determine whether the influence of the three independent variables on financial distress changes depending on the company's debt usage level. This study employs a quantitative approach using panel data regression analysis and Moderated Regression Analysis (MRA). The sample was selected using purposive sampling, focusing on manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the period 2020–2024. Based on the specified criteria, 28 companies were selected, resulting in a total of 140 annual observations. The results show that CSR and the audit committee have a significant negative effect on financial distress. Meanwhile, institutional ownership does not have a significant effect. Capital structure is proven to moderate the relationship between CSR and financial distress, but it does not moderate the effect of institutional ownership and audit committee on financial distress. These findings confirm that the implementation of CSR and internal oversight through the audit committee play important roles in reducing the potential for financial crises in companies.

Keywords: *Corporate Social Responsibility, Institutional Ownership, Audit Committee, Capital Structure, Financial Distress*