"Corporate Governance Practices as Drivers of India's Developmental Aspirations 2047"

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India's goal of becoming a developed country by 2047 places a strong emphasis on sustainable development, inclusive growth, economic resilience, and innovation. Strong corporate governance procedures stand out in this context as essential forces that promote and quicken the country's developmental goals. This study analyzes how openness, accountability, ethical decision-making, and effective board monitoring contribute to developing a vibrant business environment aligned with national aspirations. It emphasizes how legal frameworks like the Companies Act, SEBI rules, and developing ESG standards help to boost governance systems in Indian firms. This study is based on secondary resources, information are taken by referring published sources like Bank and Government Reports, SEBI Guidelines and research articles published in the journal. By aligning business behaviour with national development aspirations, governance practices serve as strategic enablers for economic transformation. The analysis finds that robust corporate governance is vital for promoting sustainable growth and attaining India's developmental ambition for 2047.

Keywords: Corporate Governance, Accountability, Sustainability, ESG, Transparency, Development 2047

INTRODUCTION

In the year 2047 our county celebrates 100th year of Independence. Government of India having the vision to transform the country into a developed nation by 2047. This vision is the excellent one . " Viksit Bharat 2047" giving importance on inclusive growth, innovation, sustainability and good governance and prosperity for every section of society. This vision is depending on four pillars : Youth, Poor, Women, Farmers. For all-round development of the economy, development of industrial sector is highly essential. Many industries in manufacturing and service sectors are owned by Private Limited, Public Limited companies. These companies required to adopt and implement good corporate governance practices for corporate success. Bad governance will leads to corporate failure which affect the economic development of the country. Good corporate governance will contribute towards the development of youth, poor, women and farmers.

OBJECTIVES

1) To investigate how corporate governance procedures support accountability, openness, and moral business practices in India's corporate sector.

2) To examine how good corporate governance promotes equitable and sustainable economic growth, which helps India realize its "Viksit Bharat 2047" vision.

RESEARCH METHODOLOGY:

This research based on secondary sources, information is collected from published sources like journals, online journals, Government Reports and Reports published by Financial Institutions like SEBI, RBI, MCA etc.

REVIEW OF LITERATURE

Fengge Yao, Zenan Qin, Xiaomei Wangi (2023) in the research article titled " The influence of bank governance structure on green credit " , the study reveals that bank governance structure has an important on green credit and reasonable matching and linkage can help the organisation to achieve a high level of green credit. Fuzzy-set qualitative comparative Analysis method was used in this paper analysis. In this paper researcher has selected ownership concentration, independence of the board, executive incentive, activity of supervisory board, degree of market competition and loan quality as antecedent variables to analyse the path of their impact on credit.

Samantaray, Swagatika Panda (2008) in the research paper entitled "Corporate Governance in Indian Banking Industry: An Experience with SBI and HDFC Bank identified that the the disclosure practice of Indian Private Sector Banks helps the stake holders to make an effective interpretation about the performance of their bank. The comparison has made by the researchers with regards to Corporate Governance Practices in HDFC Bank (private Sector Bank) SBI (nationalised Bank) based on the Narayana Murthi Committee on CG and clause 49 Listing Agreement. HDFC Bank's application of CG is effective and most of the parameters are satisfied as per clause 49 of listing agreement as well as the Narayana Murthy committee Report in comparison with nationalised Bank SBI. Even though SBI is also having good CG practice, but it lacks in some areas in comparison with the private sector bank – HDFC Bank

Neeta Aurangabadkar (2017) in research article titled " Impact of Corporate Governance Practices and its performance: A study of Select Public Sector Banks in India" observed that Corporate Governance is all about the public trust, confidence of customers and investors and shareholder's wealth. The study found that board size is positively significant with the performance in case of EPS and negatively significant with the number of executives and independent directors in case of EPS.

Chand Pasha and Ashfaq Ahmad (2018) in the research paper " Impact of Corporate Governance on Customer-Comparative study on selected public sector and private sector banks in Karnataka" observed that there exist a relationship between corporate governance attributes and customer satisfaction. The resent development of corporate governance in India especially in Banking sector has increased the trust of stake holder of the banks. Customer is the king of the market, receives the benefits of corporate governance plans. But customers are not directly influenced by corporate.

Anna Lanoszka's 2022 The complex relationship between corporate governance systems and economic development in various national contexts is examined in Anna Lanoszka's research paper "Corporate Governance and Economic Development" (2022). It investigates the ways in which codified metrics, legislative modifications, and institutional reforms influence both firm-level performance and general economic growth.Lanoszka emphasizes how important institutional reforms are to bolstering governance systems and promoting economic growth and efficiency. The significance of organized governance norms and legislative adaptability in establishing stable and transparent markets is also emphasized in the article.

B/ N. Urinov and U. Kenjaeva (2022) The changing landscape of corporate governance and its significance for national economic development are examined in the journal article "Advanced Practices and Models of Corporate Governance" by B. N. Urinov and U. Kenjaeva (2022), which was published in Economics and Education. The authors stress that long-term economic growth, accountability, and transparency are all dependent on strong governance frameworks. The study promotes the adoption of best practices from around the world to improve domestic governance systems by drawing on experiences from other countries. It also emphasizes how crucial it is to understand the contextual variations among different governance models, implying that tailored strategies are required to handle certain organizational and national circumstances. Additionally, the study examines how contemporary corporate governance trends—like digitalization, sustainability, and stakeholder engagement—have shaped modern company environments.

Thankom Arun and John D. Turner's 2009 book "company Governance and Development" examines the crucial connection between economic development and company governance reforms. It makes the case that better corporate performance and long-term economic growth are facilitated by efficient governance frameworks. By safeguarding investors and promoting trust in financial markets, the authors emphasize the critical role that the legal system plays in bolstering governance improvements. The study also looks at how corporate governance and the financial system interact, pointing out that good governance can increase market stability and capital access. Arun and Turner also recommend that in order to draw in foreign investment and promote economic growth, governments should give governance improvements first priority. The book also highlights how companies can increase their competitiveness and guarantee long-term success by implementing excellent governance standards.

DISCUSSIONS AND INTERPRETATION

CORPORATE GOVERNANCE

Corporate Governance is the method of rules, standards, practices and process by means of which a corporate organization is managed and supervised, governed and controlled. Board of directors are the central force determining the corporate governance. Corporate governance protect the interest of organization's stake holders such as share holders, managers, employees, suppliers, customers and the society. Accountability, fairness, transparency, independence, social responsibility are the core principles of corporate governance. A company's direction and interactions with its stakeholders and shareholders are guided by corporate governance. With the correct framework and procedures in place, businesses may foster an environment of trust, openness, and responsibility through effective corporate governance. This fosters long-term patient capital and supports financial stability and economic progress.

The Indian corporate governance framework complies with the OECD's corporate governance guidelines.
The OECD's Corporate Governance Principles are as follows:
Principle I:
Establishing the Foundation for a Successful Corporate Governance Structure.
The corporate governance structure need to encourage open and effective marketplaces.
Adhere to the rule of law and explicitly state how various regulatory, enforcement, and supervisory authorities are to be assigned duties.
Principle II: Protection and Facilitation of Shareholder Rights and Essential Ownership Functions -protect and enable the exercise of shareholders' rights.
Principle III: Treating Shareholders Equitably.
-Should guarantee that each stakeholder is treated fairly.
- the chance to receive efficient compensation for rights violations.
Principle IV: Stakeholders' Role in Corporate Governance: acknowledge stakeholders' rights and promote collaboration between firms and stakeholders to generate income, jobs, and the long-term viability of businesses.
Principle V: Transparency and Disclosure
All relevant information is promptly and accurately disclosed, including the company's ownership, governance, performance, and financial status.
Principle VI: The Board's Responsibilities:
Monitoring Management and Accountability to Shareholders. The board should be responsible for the firm's strategic direction, effectively monitor management, and be accountable to the company and shareholders.
Important Clauses in SEBI's LODR Regulations.

1.Listed firms are required to have a minimum of one-third of their board composed of independent directors, with a balance between executive and non-executive directors.
2. Independent Directors: A corporation shouldn't have any substantial or financial ties to the independent directors in order to give them the freedom to make decisions without bias.
3. Audit Committees: All publicly traded companies are required to set up an audit committee to supervise financial reporting and internal controls.
4. Stakeholder Relationship Committee: Companies should form a committee to look into complaints from shareholders and other stakeholders.
5. Disclosure requirements: Timely and accurate radical disclosure of important events, financial results, ownership patterns, etc.
These provisions ensure that companies are transparent and answerable to their investors.

Reforms to Corporate Governance in India After 2013

The passage of the Companies Act, 2013 marked a significant turning point in the evolution of corporate governance in India. This extensive piece of legislation included new concepts and enhanced existing corporate governance regulations.
Additional Modifications to the Companies Act of 2013: To ensure unbiased inspection, companies that surpass a certain threshold must appoint independent directors.

CSR: Under Section 135 of the Act, companies that meet certain financial criteria are required to donate a minimum amount of their profits to social responsibility programs. It suggests that businesses support societal well-being.

Directors' Responsibilities: By outlining certain obligations that directors must fulfill to the corporation and other stakeholders, the Act restates the directors' fiduciary duties.

Board Committees: Businesses need to establish a CSR committee in addition to other committees like the audit, nomination, and pay committees. have successfully strengthened the governance framework for accountability and transparency.

Board of Directors: Responsibilities and Roles

A key component of corporate governance is the board of directors. It is responsible for choosing a company's strategic direction and making sure management acts in the shareholders' best interests.

The main responsibilities of the board of directors

1) Long-term Planning: The board establishes long-term goals and ensures that management has a clear plan in place to achieve them.
2) Oversight: The board looks at how well management is performing and makes sure that actions are in line with the goals of the company.
3) Risk management: The board is in charge of identifying potential risk areas and ensuring that the appropriate measures are in place.
4) Legal Compliance: Confirm that the company abides by all relevant laws.

Board Committees

1) To improve its governance, the board gives committees particular responsibilities to complete. These include:
2) Monitoring financial reporting and evaluating the correctness of financial statements are within the purview of the audit committee.
3) The Nomination and Remuneration Committee reviews executive compensation and board appointments.
4) CSR Committee: This committee oversees the company's adherence to all CSR regulations.

Success requires a strong board that maintains accountability and confidence, even in the absence of assurances from governance.

The Role of Regulatory Bodies in Upholding Corporate Governance

Indian Regulatory Bodies in Charge of Corporate Governance:

1) The Securities and Exchange Board of India (SEBI) regulates listed companies and enforces corporate governance norms through its LODR legislation.
2) The Ministry of Corporate Affairs (MCA) oversees the observance of the Companies Act of 2013.
3) The Reserve Bank of India (RBI) is responsible for supervising the operations of banks and other financial institutions.
4) The Institute of Chartered Accountants of India's (ICAI) goal is to ensure financial transparency by establishing auditing and accounting standards.

These groups are essential in ensuring that companies follow stringent corporate governance regulations.

FIG:1 Source: Author

The goal of corporate governance reforms is to improve the structure that governs how businesses are run. These changes result in a number of favorable outcomes:

Better Accountability: By making directors and management more accountable for their choices and deeds, reforms promote ethical behavior and improved supervision.

Enhanced Transparency: Reforms increase the accessibility and clarity of financial and operational information for stakeholders by enhancing disclosure regulations and reporting standards.

Reduced Risk: Strong governance practices help identify, monitor, and mitigate risks effectively, reducing chances of fraud, mismanagement, or financial crises.

Increased Investor Confidence:
When companies follow good governance practices, investors feel more secure about the safety of their investments, leading to higher trust and willingness to invest.

VIKSIT BHARAT

'Visksit Baharat' vision creates overall developed India. This includes development of every sectors in India.

FIG:2 Source: Author

Economic Empowerment.

Viksith Bharat creates Economic empowerment through strong and inclusive economy by ensuring opportunities for all. Benefits of development should reach every citizens of the country. If many companies perform well in every industrial sector; benefit will be delivered to all categories of people in the country. Companies can deliver benefits like quality goods at reasonable price, direct or indirect job opportunities, environmental protection activities, CSR activities, payment of taxes to the government, Training and development programs etc.

The Gross Domestic Product (GDP) is growing at increasing rate in India since 2022 onwards In the year 2022 GDP growth rate was 6.99% and this rate was increased to 7.58% in the year 2023 and during the year 2024-25 GDP growth rate was 6.5% and during the current financial year 2025-26 the real GDP Grow by 7.8%. Currently our country is world's fourth largest economy having strong vision to become the third largest economy by 2030 with a projected $ 7.3 trillion GDP. Viksit Bharat developmental initiatives will support the country's vision to become the third largest economy in the world.

Infrastructure and connectivity :

Viksit Bharat uses a multifaceted strategy that involves strategic finance, digital efforts, and physical projects to promot e infrastructure and connectivity.

The construction of rural roads (PMGSY), national highways (Bharatmala), and high-speed internet connectivity (BharatNet) are important initiatives.

In terms of technology, the vision places a strong emphasis on developing a strong telecom ecosystem through programs like the Telecom Technology Development Fund (TTDF) for 5G/6G R&D and establishing infrastructure to support re mote connections and smart cities.

Good governance and transparency

Viksit Bharat encourages transparency and good governance through digitalization and e-Government, which create paperless offices and speed up services like government programs and property records. It also highlights citizen-centric initiatives, such as simplifying complex laws and procedures, empowering local government and citizens through social audits and direct participation, and fostering a culture of ethical and accountable public service.

Social inclusion and welfare:

Through focused initiatives like the Lakhpati Didi Initiative for women's economic development and the Pradhan Mantri Jan Dhan Yojana for financial access, Viksit Bharat promotes social inclusion and welfare. By offering vital services to the poor, enhancing housing for tribal people, and guaranteeing food security, it focuses on inclusive development. Additionally, it prioritizes skill development for underrepresented groups, gender equality, and improving the equity and accessibility of metropolitan regions for all residents.

Environmental sustainability:

By emphasizing renewable energy (such as solar and wind), supporting green technology and electric vehicles, putting in place reliable waste management systems, and promoting afforestation and water conservation, Viksit Bharat promotes environmental sustainability. Through sustainable practices in all areas, the vision also seeks to strike a balance between ecological preservation and economic growth.

Technological advancement and innovation:

Through a number of important programs, such as targeted funding for R&D (such as the Telecom Technology Development Fund), encouraging cooperation between academia, business, and startups, and enacting laws that support indigenous innovation and the creation of intellectual property (IP), Viksit Bharat supports technological advancement and innovation. The plan also calls for utilizing cutting-edge technology like artificial intelligence (AI) in a variety of industries and laying the groundwork for next technologies like 5G and 6G.

HOW CORPORATE GOVERNANCE CAN CONTRIBUTE TOWARDS VIKSITH BHARATH

By encouraging investor trust, drawing in capital, and guaranteeing sustainable economic growth through values like accountability, openness, and fairness, good corporate governance helps create a "Viksit Bharat" (developed India). Businesses may align with national goals for a more resilient, sustainable, and equitable economy that safeguards the environment and takes into account the interests of all stakeholders, not just shareholders, by incorporating Environmental, Social, and Governance (ESG) principles.

How development is fueled by sound corporate governance?

Increases the trust of investors: By emphasizing accountability and openness, good governance fosters trust among both domestic and foreign investors, which can reduce capital costs and boost investment.

Ensures long-term stability: Good governance fosters a more stable and predictable company environment that supports long-term growth by safeguarding the interests of all stakeholders, including shareholders, creditors, and

employees.
encourages the development of sustainable by incorporating ESG principles, businesses are encouraged to prioritize social responsibility, environmental preservation, and moral behavior. This brings business initiatives into line with India's national objectives for a future that is more inclusive and sustainable.
Boosts market efficiency: Financial markets operate more effectively when strong governance standards are in place. They provide equity and fairness for all shareholders, which is necessary for a robust and competitive business sector.
Encourages ethical corporate culture: Businesses contribute to the development of a culture of integrity throughout the country, which is essential to a developed society, by encouraging ethical decision-making and giving stakeholder interests top priority.
Promotes efficiency and creativity: Through AI-driven analytics, modern governance—which includes responsible technology use—allows for improved risk assessment and compliance monitoring. Additionally, it promotes variety of opinion on boards, allowing businesses to approach issues from several perspectives.

FINDINGS AND SUGGESTIONS

From the detailed analysis the author has found following aspects about this research area.

1. Economic development and company performance are strongly impacted by corporate governance. Good corporate governance practices will generate excellent economic development in a country and supports the achievements of country's economic objectives.
2. The composition of the board and independent directors are essential to the quality of governance. This reduces the misappropriations of funds in the company and achieves investor protection and indirectly supports good corporate governance practices.
3. Transparency and disclosure policies improve stakeholder confidence.
4. Corporate governance reform in India has grown dramatically post–Companies Act 2013. Many corporate companies understood the importance of good governance practices and started implementing the good governance and ethical practices in their company
5. Adoption of ESG principles is developing as a crucial factor of governance. Many companies are more serious and concerned about environmental and social aspects.
6. Good governance draws in both domestic and foreign money and boosts investor confidence. If country gets more foreign direct investments, industrial development will improve and it will contribute towards economic development.
7. Corporate governance aligns directly with the goals of Viksit Bharat 2047. Developed India requires strong support corporate sector. If corporate failure reduces it will help for industrial development so this will boost up the economic development in the country.
8. Customer trust and service quality are directly correlated with banking sector governance.
9. Important roles have been played by institutional frameworks (SEBI, RBI, MCA, and ICAI). Institutions playing highly important role in framing rules and regulations for effective corporate governance in the country.

A multifaceted improvement of corporate governance is necessary to further India's developmental goals towards 2047. The fundamental strategy should focus on increasing internal oversight by guaranteeing Board Diversity and Independence and boosting senior management and director training on contemporary challenges like ESG and digital ethics. Companies must strive towards increasing the adoption of sustainability and ESG reporting and volunteer governance practices that go beyond following the law, integrating an ethical company culture through corporate principles to assure accountability and long-term value development. Operationally, it is vital to increase digital governance and compliance procedures for efficiency and transparency, while concurrently enhancing techniques for engaging with stakeholders to create trust and inclusivity. Recognizing the range of the sector, specialized measures must support MSMEs in implementing governance requirements. Lastly, the efficacy of the entire framework depends on regulatory discipline, which means that in order to ensure prompt discovery and deterrence of governance failures across the business spectrum, regulators must enhance enforcement and monitoring.

CONCLUSION

India's economic and developmental trajectory is significantly shaped by corporate governance. As India strives to become a developed nation by 2047, good governance frameworks become vital for ensuring accountability, transparency, and sustainable growth in the business sector. Strong governance standards boost investor confidence, boost corporate performance, encourage sustainable business operations, and support national economic resilience, according to the study of the literature. India's governance environment has greatly improved because to the Companies Act 2013, SEBI regulations, and institutional reforms. By promoting economic empowerment, inclusive development, technical innovation, and environmental sustainability, good governance also supports the main tenets of Viksit Bharat 2047—Youth, Poor, Women, and Farmers. Companies must embrace comprehensive, moral, and forward-thinking governance processes in order to fully achieve India's developmental goals, going beyond simple regulatory compliance. India's progress toward becoming a developed and globally competitive country will be accelerated by bolstering ESG adoption, encouraging an ethical corporate culture, improving board effectiveness, and incorporating technology into governance.

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