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ESG INTEGRATION IN A GLOBALIZED WORLD: ADVANCING INDIA'S SUSTAINABLE CORPORATE GOVERNANCE FUTURE

CS (Dr.) Pallavi Baghel and Sahil J Singh**

Assistant Professor, Symbiosis Law School, Pune, Symbiosis International (Deemed University) and Company Secretary.

** LLM Student, Symbiosis Law School, Pune, Symbiosis International (Deemed University) Pune.

Abstract

Environmental Social and Governance (ESG) in a globalized world has gained prominence over the years, with active global concerns in addressing injustice, enhancing India's sustainable future in the realm of corporate governance. This paper necessitates the applicability of sustainable investment to enhance India's ESG and Socially Responsible Investment (SRI) principles. Previous studies examined policies of good governance with the objective of incentivizing managers and creating benefits for efficient company performance. However, none of the previous studies have addressed distributive justice and ecological rights of India's ESG applicability. This paper emphasizes the assimilation principle across the globalized world with transnational corporations (TNCs) and examines the concept of Laswell, Nozick and Nancy Frazer with environmental sustainability and ESG principles. Further, this paper examines mis-governance of policies, misfiring, and anti-greenwashing in the future of India's sustainable framework. Eventually, this paper highlights harnessing India's ESG Growth, policy reforms with the globalist perspective of assimilation with distributive justice, and Sustainable Development Goal (SDGs) 2030. Lastly, this paper discusses the alignment of India's green taxonomy with global corporate policy and analyzes the framework of geopolitics and geospatial technology for the future of least developed nations (LDN) and developing nations. The applicability of Corporate Sustainability Reporting Directive(CSRD) with Human Rights Due Diligence Directive(HRDDD) and Corporate Sustainability Due Diligence Directive(CSDDD) to fortify human rights and Corporate Labour Rights(CLR) in a globalized world. This research study is both timely and pivotal for enhancing India's anti-greenwashing framework with the applicability of environmental fortification, TNCs, and principles of corporate governance.

Keywords: Distributive Justice, CSRD, Recognition, Globalized World, TNCs, HRDD, CSDDD, Anti-greenwashing, and SDGs.

Introduction

Globalization is an ongoing process that promotes greater interdependence amongst countries and their citizens via climate justice and ecological governance dimensions relating to economic and non-economic aspects, which are involved in global integration. Business enterprises ought to operate efficiently with the objectivity of environmental and social aspects in the international arena. Thereby, this paper necessitates changing the stakeholders' approach towards ESG and SDG principles. Laswell has rightly portrayed that distribution is globally addressed both internationally and nationally, with aspects of global sustainability and social governance principles. Further emphasizing the question of who, what, when, and how with the distribution of goods and sustainability for humanity, with the equitable applicability of resources[1]. Foundational issue in distributive justice in conflict with the nation-state-focused justice and global issues of addressing the rights and interests of large groups. Nozick argues that the evaluation of fairness involves the existing distribution and justice. The principle of redistribution highlights Nozick's core principle of liberty and addresses the right of individuals and their equitable societal interest[2]. The integration of ESG in India's society and assimilation towards a globalized world provides an impetus to Nancy Fraser's ideology of the transformative principle of exceeding the state boundary in formulating a law for the welfare of a globalized community.[3] Rawls explicitly provides for implementing a fair and just world order in underdeveloped and developing nations[4]. This paper highlights enhancing India's ESG framework, concurrent with the application of European Union (EU) taxonomy principles, and the effectiveness of distributive justice with novel green regulations to promote sustainability. ESG offers a comprehensive framework that evaluates the concept of corporate sustainability and efficacy in the global arena[5]. Long-term valuation and investment decisions are vital for addressing financial sustainability, with the applicability of ESG disclosure to safeguard investors' and shareholders' rights[6]. The assimilation of the concept of recognition and its distribution to safeguard Corporate Labour Rights (CLR) and widen the concept of ESG applicability in the globalized world. Enhancing India's concept of ESG with the applicability of HRDDD and CSDDD to fortify the rights of investors and emphasize the principle of global distributive justice. Further emphasizing ESG reporting across the globe with the applicability of CSRD to regulate the rights of TNCs to adhere to the principle of distributive justice. This paper emphasizes the evolution and impact of ESG in a globalized world (Section I), Mis-Governance of global resources, changing paradigm addressing ecological governance and sustainability (Section II), Theorist and Globalist understanding of corporate governance (Section III). Mechanism of India's corporate governance -: adherence with a global perspective (Section IV), sustainability: The systematic methodology for achieving India's Goal Of 2030 (Section V) and lastly corporate governance and green taxonomy enhancing India's anti-greenwashing framework (Section VII)

Literature Review

ESG practice has gained prominence over the years and is concerned with fortifying the rights of global investors and corporations to understand the impact of social responsibility on firms profitability. Redistribution focuses on addressing the injustice present in the economic structure of the society. The classical Marxian theory states that when the bourgeoisie(exploited) become class conscious, they will revolt against the wrongdoing of the proletariat(exploiter), the working class are required to sell their labor right for

[1] DEBORAH STONE, POLICY PARADOX: THE ART OF POLITICAL DECISION MAKING 44 (2011).
[2] Benedict Sheehy, Ying Chen & Juan Diaz-Grandos, *Rethinking Global Distributive Justice: Legal and Economic Norms Addressing Crises of Global Health, Hunger, and Sustainability*, 52 **J. Int'l L. & Pol'y** 1 (2024).
[3] Nancy Fraser, *Reframing Justice in a Globalizing World*, NEW LEFT REV 69 (2005).
[4] **Supriya Bhatpahari & Susmita Mandal,** *The Relevance of Rawlsian Justice in India* (Jan. 7, 2022), https://ssrn.com/abstract=4006263.
[5] B. Reber, A. Gold & S. Gold, *ESG Disclosure and Idiosyncratic Risk in Initial Public Offerings*, 179 **J. Bus. Ethics** 867 (2022), https://doi.org/10.1007/s10551-021-04847-8.
[6] Zaman, R., Farooq, M.B., Khalid, F. and Mahmood, Z. (2021), "Examining the extent of and determinants for sustainability assurance quality: the role of audit committees", Business Strategy and the Environment, Vol. 30 No. 7, pp. 2887-2906.

their own subsistence in societal progress [7]. This paper understands that the applicability of the principle of redistribution, recognition, and restructuring of India's corporate structure is with ESG reporting. Further underscoring the importance of investors to sacrifice their short-term gains for long-term reputation enhancement. Injustice in a globalized world arises when the community is drawn in a manner that excludes certain groups and corporations over the content of justice. Law provides society with an infrastructure for norm creation to analyses the concept of justice and fairness with the existing rights and duties present in the society. Geopolitical disruptions are detrimental to countries' financial impact and economic integration, often contributing to substantial fluctuations in crude oil prices.[8] Encompasses the principle of justice, which includes the three-dimensional theory of redistribution, recognition, and representation. Sustainable investment constitutes alignment of financial objectives and ESG principles with the SRI principles, depicting a firm production of green attribution and generating firms becoming greener with more investment from global and institutional investors. Diversity with cultural perspective is vital to address sustainable globalization with inclusivity to societal and climate sustainable changes, which include socially robust principles and the principles of sustainable development[9]. Good governance permits firms to incentivize managers at low levels of compensation, creating benefits for management that will provide the efficient performance of the company's mechanisms. This paper evaluates the assimilation of ESG in the globalized world, enhancing India's sustainable future and corporate governance framework. A burdened society cannot function at the economic level, but it must consider minimum subsistence, health care, and environmental fortification.[10] Widespread adoption of ESG in a globalized world witnesses substantial growth of the governance dimension, which assesses business risk and opportunities for investor fortification. This study widens the scope of enhancing India's SDG 2030 and achieve Zero Net Emission by 2070. Social robustness is instrumental to principles of globalization, and addresses the rights of present and future needs with the idea of social justice[11]. Globalization is instrumental in providing the global world with economic prosperity, political freedom, and social aspects[12]. ESG rating is a strategic tool for the enhancement of the long-term valuation of the company[13]. Many of the TNCs develop contact by engaging in dialogue with stakeholders internally and externally on CSR activities.[14] Global ESG assets are expected to reach $53 trillion by 2050, with the demand for sustainable investment. Eventually, this paper emphasizes the concept of anti-greenwashing with the principle of the CSRD and green taxonomy

[7] Karl Marx, *Wage Labor and Capital*, in **The Marx-Engels Reader** 203 (Robert C. Tucker ed., 2d ed. 1978).
[8] Yu Song et al., *Defending Global Oil Price Security: Based on the Perspective of Uncertainty Risk*, 41 ENERGY STRATEGY REVIEWS 100858 (2022), https://www.sciencedirect.com/science/article/pii/S2211467X22000578 (last visited Oct 6, 2024).
[9] **L. Figge, K. Oebels & A. Offermans,** *The Effects of Globalization on Ecological Footprints: An Empirical Analysis*, 19 **Env't Dev. & Sustainability** 863 (2017), https://doi.org/10.1007/s10668-016-9769-8.
[10] Juan Diaz-Granados, Benedict Sheehy & Ying Chen, *Rethinking Global Distributive Justice: Legal and Economic Norms Addressing Crises of Global Health, Hunger, And Sustainability*, SSRN JOURNAL (2024), https://www.ssrn.com/abstract=4878129 (last visited Oct 20, 2024).
[11] S.B. Banerjee, Who Sustains Whose Development? Sustainable Development and the Reinvention of Nature, 24 Org. Stud. 143 (2003).
[12] Bhagwati, J. Anti-globalization: Why? J. Policy Model. 2004, 26, 439–463.
[13] Carlson, D. Mentions of 'ESG' and Sustainability Are Being Made on Thousands of Corporate Earnings Calls, Market Watch < https://www.marketwatch.com/story/mentions-of-esg-and-sustainability-are-being-made-on-thousands-of-corporate-earnings-calls-11626712848 > (last visited Sep.23, 2024)
[14] *id*

Evolution And Impact of ESG In A Globalized World (Section I)

The triple bottom line (TBL) theory evolved in 1994, emphasizing that companies should adequately focus on social and environmental concerns[15]. In 2004, the concept of ESG emerged with the main objective inclined towards enhancing the principles of the company's corporate governance policies. The impact of climate change has received incremental changes over the years with the integration of the Intergovernmental Panel on Climate Change and the Task Force on Climate-Related Financial Disclosure (TCFD)[16]. Nowadays, ESG reporting is synonymous with ESG and non-financial reporting to gain global prominence, and corporations are incorporating the principles of ESG to address the global concerns of a country's vision towards environmental protection and sustainability. Simultaneously, Indian businesses are also aligning India's practices with sustainable global development. ESG factors are essential for the functionality of business enterprises, with the applicability of the Sustainability Accounting Standard Board(SASB) and ethical and financial reporting. Finally, integrating ESG in the policy entails a precise and systematic implementation of risk and opportunities concerning a corporation's investment process. Globally, many countries have a more robust threshold for advocating ESG in business sustainability on the publishing rate in coherence with the UK, China, Canada, and the USA. Each person has the right to basic liberty rights and an adequate scheme concerning equal rights, addressing social-economic inequalities. Thereby, this study emphasizes the concept of India's ESG framework in coherence with the principles of a globalized world. In today’s globalized world, the claim for redistribution increases with transnational production, the outsourcing of jobs, and the principle of global neoliberalism. The principle of justice involves a social arrangement that requires all participants in social life and their full interaction with one another. People are impeded from participation in a globalized world through injustice based on economic structure, distributive or maldistribution of equitable resources of the society. Misrecognition involves the discrimination against people on the basis of their class structure and suffering from status inequality and misrecognition. In today’s globalized world, people suffer not only from the principle of distribution and recognition but also a necessity to understand the political insight of the society[17]. Thereby, this study understands the intricacies of the globalized world in fortifying consumer rights and mitigating the effects of modern slavery prevalent in society. Establishing political, social, and economic dimensions sets the stage for resolving global concepts that are instrumental for individuals to understand the claims of redistribution, recognition, and maldistribution of resources present in the society. Misrepresentation occurs when people are wrongfully denied possible interaction with others, and in cases, misrepresentation takes the form of misframing. When questions of justice are intended to exclude one community over another, thereby resulting in the loss of individuals ' rights. Through the threshold of ESG and Fair and equitable justice principles, this paper understands the necessity of India to frame regulations and the applicability of Business Responsibility and Sustainability Reporting (BRSR) for the country's sustainable future and equality. The elements E & S-centric goal of ESG is likely to impact materiality and understand investor’s goal for assimilation with functions in comparability with European Sustainability Reporting Standard (ESRS) and

[15] John Elkington, *Cannibals with Forks: The Triple Bottom Line of 21st Century Business* (1997).
[16] Task Force on Climate-related Fin. Disclosures, *Protecting Our Future* (2022), https://www.fsb-tcfd.org/publications/protecting-our-future/.
[17] Max Weber, *Class, Status, Party,* in **From Max Weber: Essays in Sociology** 180 (Hans H. Gerth & C. Wright Mills eds., Oxford Univ. Press 1958).

CSRD. The EU understands that companies are required to identify, prevent, manage, and mitigate all the ill effects on society and human rights through the principle of Responsible Business Conduct(RBC)[18]. The CSRD widened the scope of the Non-Financial Reporting Directive(NFRD) and addresses the rights of investors and sustainable investment. The CSRD and ESRS stipulate a novel standard of reporting that understands the global standard of sustainable reporting, with a verifying claim of companies, a statement of directors towards the future of the company's sustainable reporting. Further, ESRS integrates organizational impact with an overview of financial and non-financial indicators of firms' performance with sustainable performance[19].

Integration of ESG of Development and Assimilation in a Globalized World-

The impact of various environmental greenwashing scams by multinational companies (MNCs) has been detrimental to the societal integration of shareholder activism and the effect on transnational and globalist ideologies[20]. Modern slavery refers to the situation of exploitation of labor through means of threat, coercion, and exploitation of the corporate labour's ability to work freely with the right to freedom. The principle of redistributing income with fair restructuring of labour division is vital for addressing injustice present in the society and fortifying the rights of maligned or vulnerable groups. Weberian rightly emphasizes that low-status, ethic group individuals face exploitation and suffer from social esteem in contrast to well-established societies. Hence, prominent worldwide brands strategize ESG-compliant initiatives to greenwash their public image. This study examines changing climatic conditions and how the sustainability goal complies with the Paris Agreement objective of reducing carbon emissions to 1.5 °C and ensuring that environmental health is protected with the applicability of novel sustainable parameters[21]. The scope of globalization, technology advancement, and geospatial implementation is driven by increasing complexities and uncertainties of corporate operations. Supra-state organizations are coherently associated with TNCs and international governmental organizations. Treating recognition as a matter of justice enhances social relations and examines participation parity among the community and TNCs. Further, the assimilation of TNCs with other nations of the globalized world assists in reducing tariffs and promoting global stability through reforms of global justice, police, and trade reforms. In the curious Congo case, a region situated in the country of Africa, children as young as four profusely extract cobalt for the manufacture of phones or electronic components in the region of Congo[22], climate change and justice factors adversely affect 1.2 billion people displaced through climate disasters, especially in the predominant sub-Saharan Africa, the Middle East, and the North American Region (MENA). The globalists are of the view that an overlapping balance between social, economic, and political principles involves specific attention towards environment-related sustainability and integrating India's ESG model with a globalized world. The Brundtland report, provides for holistic development and integration of

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[18] European Parliament. Corporate Social Responsibility (CSR) and Its Implementation Into EU Company Law. 2020. Available online:https://www.europarl.europa.eu/thinktank/en/document/IPOL_STU(2020)658541(accessed on 25 March 2022).
[19] Adams, C. A., & Abhayawansa, S. (2022). Connecting the COVID-19 pandemic, environmental, social and governance (ESG) investing and calls for 'harmonisation' of sustainability reporting. *Critical Perspectives on Accounting*, *82*, 102309. https://doi.org/10.1016/j.cpa.2021.102309
[20] Zhilin Yang et al., Greenwashing Behaviours: Causes, Taxonomy and Consequences Based on a Systematic Literature Review, 21 *J. Bus. Econ. & Mgmt.* 1486 (2020), https://doi.org/10.3846/jbem.2020.13225.
[21] *Id.*
[22] Stanley Fischer, Globalization and Its Challenges, 93 *Am. Econ. Rev.* 1 (2003), https://doi.org/10.1257/000282803321946750.

environmental protection through a globalized world and practice concerning corporate sustainable principles without affecting the distributive justice of companies in other states. The exploitation of developing countries adversely affects the economic, political, and social growth of the least developed countries. Only when developed countries fortify the interests of these poor and downtrodden countries will the global society progress expansively. The imbrication of sustainability and ESG with the future of societal integration of a globalized society necessitates preserving biodiversity and environmental sustainability. Climate change and justice factors adversely affect 1.2 billion people displaced through climate disasters, especially in the predominant sub-Saharan Africa and the Middle East and North American Region (MENA). This paper analyzes the situation of India and the necessity of reducing carbon emissions and India's advocacy of carbon credit to reduce carbon intensity by 2045 and obtain net neutrality by 2070[23]. Global, social, and economic issues involve attention towards environment-related sustainability and practice concerning Laswell and Nozick, with a novel approach to environmental sustainability. Social globalization is a conceptual analysis of sharing ideology amongst countries and promoting practices that safeguard the future of environmental sustainability. On 20th December 2011, 40,000 barrels of crude oil leaked when a tanker loading at Shell Bonga oilfield and such mass destruction is termed as ecocide[24]. The framing of law is often attributed to addressing the pressing demands of countries domestically, internationally, and in a transnational framework. Governance coupled with the transformative principle of Nancy Fraser, justice in a global world, pre-requisite mandates the inclusivity of political representation beyond state boundaries and territorial principle. Many countries affected by the Global decision are specifically excluded from the international forum and are often impacted by the policies of multinational corporations. ESG addresses the mis-framing of justice and the maldistribution of corporate policies worldwide, which impact LDC and the environmental goal of 2030. Globalization is changing the way we think about justice; Nancy Fraser emphasizes the ideology of redistribution and recognition not only in economic and societal aspects but also in coherence with the political dimensions contained in the society. Distributive justice is not based only on '*what*' but also on the concept of '*who*' is essential. Thereby, this paper examines fortifying the society and investors from any occurrence of maldistribution and misframing, with the state concerned to address the injustice prevalent in the society. This study highlights that greenwashing regulations in developing and LDN are inadequate, and MNCs exploit the lack of regulations, which adversely affect the concept of global justice and the principle of transparency in societal development.

Mis-Governance of Global Resources- Changing Paradigm Addressing Ecological Governance and Sustainability (Section II)

Contemporary society is a great paradox, as there is marked deviation from living, economic, and environmental activities across the globe. John Rawls' theory of Global Distributive Justice highlights that a burdened society cannot function at the economic level, but requires the consideration of minimum

[23] Ministry of Coal, Govt. of India, *Coal Ministry CPSEs to Achieve 7,281MW Renewable Energy Capacity by 2027*, Press Information Bureau (Aug. 3, 2023), https://pib.gov.in/PressReleasePage.aspx?PRID=1945466.
[24] *Jalla v. Shell Int'l Trading & Shipping Co.*, [2023] UKSC 16, [2023] 2 W.L.R. 1085.

subsistence, health care, and environmental fortification[25]. Ensuring sustainability in the globalized system is intricately correlated with the concepts of equity, fairness, justice, and good governance of the global economy. The misgovernance of the planet's global resources impacts the functionality and resource allocation across the globalized world. Thereby, this paper emphasizes the applicability of sustainability and companies across the globe with rules and regulations on international understanding. The polluter pays principle across the globalized world is built on the framework of holding the wrongdoer liable for any loss to the globalized ecology through the applicability of the Organization for Economic Cooperation and Development(OECD), 1974. Most African nation-states are beset with the problem of governance mechanisms to address issues concerning poverty, control of mineral wealth, and ethnic fragmentation and analysis. Thereby, this paper understands the necessity of India to formulate policies for enhancing the country's social justice principle with the applicability of Rawls' distributive justice, by implementing International and Regional Instruments, which predominantly benefit the rights of third-world and developing countries. Children in the Congo region are exploited by companies to extract cobalt for manufacturing phones. The doctrine of public trust instrumentally provides for enhancing India's environmental law and efficacy by safeguarding the natural resources and environment from depletion, and India's SC advocates the Polluter Pays principle over Hotel Span.[26] The strict implementation of corporate governance and social governance principles fortifies the right of the environment and addresses the company's due diligence in regulating adverse effects on ecological and transnational states' rights.

Globalization and India's Corporate Governance Future

When examining the operation of a business enterprise in a territory that affects the human framework, which constitutes the essentiality of corporate governance principles, the correlation between corporations and the shareholders is considered. Traditional corporate governance norms address the principles of shareholder primacy and human rights violations. NGO's across the world are exposing TNCs' violative activities across nations to address human, social, and environmental rights violations with stricter enforcement of corporate governance principles[27]. E.S.G. and Corporate governance significantly impact environmental fortification and the necessity of regulating companies' business activities through the CG mechanism. Human Development Index(HDI) highlights the fact of individuals and the ability to measure the growth of a country's economic development and welfare. Inculcating the principles of the HRDD and CSDDD to address inequalities present in society, which include modern slavery, maldistribution, and misframing. Some companies seek to understand human rights impact assessment with an operational level grievance mechanism to understand human conduct and the company's decision over human rights welfare[28]. This paper further ascertains the concept of affirmative redistribution through the means of welfare and redress of maldistribution with transformative distribution of resources and reducing the inequality among labor, stigmatized, and

[25] Juan Diaz-Granados, Benedict Sheehy & Ying Chen, *Rethinking Global Distributive Justice: Legal and Economic Norms Addressing Crises of Global Health, Hunger, And Sustainability*, SSRN JOURNAL (2024), https://www.ssrn.com/abstract=4878129 (last visited Oct 20, 2024).
[26] (1997) 1 SCC 388(India)
[27] Hakeem O. Yusuf & Kamil Omoteso, *Combating Environmental Irresponsibility of Transnational Corporations in Africa: An Empirical Analysis*, 18 **J. Envtl. Plan. & Mgmt.** 1372 (2015), https://doi.org/10.1080/13549839.2015.1119812
[28] B.F. Hogan & J. Reyes, *Downstream Human Rights Due Diligence: Informing Debate Through Insights from Business Practice*, **Bus. & Hum. Rts. J.**, 1 (July 10, 2023), https://doi.org/10.1017/bhj.2023.27.

vulnerable populations. This paper examines ESG reporting, which enables investors to identify good corporate citizens and integrate shareholder activism policy with ESG factors[29]. More businesses are fallible, it's vital to address sustainability, corporate reputation risk, and financial struggle with the integration of the concept relating to ESG and CG. Competition from managerial talent among firms is increasing with the extensive practice of globalization. The widespread adoption of ESG criteria in the globalized world and its adaptation witnessed substantial growth in the governance dimension in coherence with an evaluation of investment hazards and opportunities. In recent years, Corporate's ESG performance has garnered significant attention regarding the due care and caution of the public, investors, shareholder activists, and regulatory bodies. Effective ESG disclosure can improve firms communication with insiders and outside stakeholder/stakeholders of corporations. The global financial crisis and risk transmission across the market significantly impact the rights and justice of investors and policymakers around the globe. Geopolitical disruptions are detrimental to a country's financial impact and economic integration, often contributing to substantial fluctuations in crude oil.[30] The scope of globalization, technology advancement, and geospatial implementation is driven by corporate operations' increasing complexities and uncertainties. This paper highlights changing India's globalized paradigm with green investment and promoting effective energy diversification, reiterating India's support for less polluting energy sources, renewable energy, and duly transformation in green governance, bond, and sustainability in the future of corporate governance. The EU's multifaceted impact affects a company's financial performance and signals that corporations adjust their resources with governance structure. Developed countries are the main contributors to global pollution, with multiple industries and geospatial tools assisting in advanced SDGs in the future of governance and ESG. Social, environmental, and economic aspects are fundamental determinants of sustainability. Geospatial tools assist in tracking and prescribing greenhouses, implementing a strategic emission reduction, and promoting the principle of net neutrality. Geospatial technology is coherent with a coordinated approach to the efficacy of sustainable programs by the involvement of governmental and regulatory authorities across the globe to formulate policies to achieve the United Nations Development Program goal 2030. Geospatial data collection harnesses the organization's objectivity of ESG and Corporate governance compliance. The advent of regulatory mechanisms for adequate ESG reporting and geospatial data, which is relevant to a particular region, plays a vital role in compliance and governance mechanisms. Robust spatial data management enhances data quality, accuracy, and reliability in mitigating ESG risk.

Theorist And Globalist -Understanding of Corporate Governance (Section III)

Globalization entails the lifting of barriers to the production of capital, products, and labor, intensifying competition across all firms and countries. The adoption of de jure convergence is similar to the corporate governance model across countries. The existence of a uniform corporate governance mechanism system fortifies the rights of the Least Developed Nation (LDN). The distributive practice of governance is adequately adopted where the interests and controlling members of the corporation are duly authorized to make decisions

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[29] **J. Ewal, C. Hauptmann & G. Serafeim,** *Material Sustainability Information and Stock Price Informativeness*, 171 **J. Bus. Ethics** 513 (2020).

[30] Yu Song et al., *Defending Global Oil Price Security: Based on the Perspective of Uncertainty Risk*, 41 ENERGY STRATEGY REVIEWS 100858 (2022), https://www.sciencedirect.com/science/article/pii/S2211467X22000578 (last visited Oct 6, 2024).

that fortify the rights of external stakeholders when the internal mechanism is inadequate. Supra-state organizations are coherently associated with Transnational Companies (TNCs) and international governmental organizations. International standardization of globalized corporate governance norms allows contemporary international accounting to foster trust, growth, and harmony in the globalized economy. Countries adequately enjoy the full benefits of corporate governance mechanisms when duly adopted across the border and in adherence with the International Accounting Standard Board (IASB) and other regulations. Ultimately, economic growth is associated with corporations on the pretext that the regulatory and legal framework influences corporate economic performance and outcome. Agency theory is a prominent theory in the realm of the corporate governance framework, with the inter-relationship amongst the managers and shareholders, the uncertainty of managerial power is detrimental to the general interest of shareholder rights. The corporate mechanism is efficient in limiting the discretionary power of the manager and regulating behavioral norms through monitoring image and valuation addition in the general interest of the stakeholders. The overlapping of agency theory with stakeholders provide for enhancing company's stakeholder valuation. Economic globalization is a process of ongoing interdependence among countries, reflecting their increasing transaction of goods and services across borders. The event of 11 September 2001 accelerated the pace of globalization. The relationship between capital account liberalization and growth is inherently weaker in African, L.D.C., and developing countries than in developed countries.[31] Initially, the world trading system was inclined towards the Most Favored Nation (MFN) principle and plurality rather than focusing on a New International Economic Order and Distributive justice with tariffs and regional trade agreements for the welfare of companies globally. The overall challenge of economic globalization is to deliver a prominent and consistent system to reduce societal inequality. Principle Two of the SDGs is the central agenda of the unequivocal commitment of U.N. member states to eliminate all poverty, discrimination, and inequality in society, undermining the vulnerabilities in society and potential for human development in a sustainable atmosphere. The conceptual analysis of corporate governance is the demarcation of the principal framework in determining the processes a company specifically adopts to provide for the equilibrium harmonization of the interests amongst varied classes of the company's stakeholders. The company's Board of Directors oversees activities in the general interest of the firm or the company's effective management. Agency theory is prominent in the corporate governance framework; the inter-relationship between managers and shareholders is demarcated through managers and shareholders The uncertainty of managerial power and discretion harms the general interest and the fortification of shareholder rights. The imbrication of the agency theory with the stakeholder provides for augmenting the valuation of the company stakeholders, which is indispensable for a material agency to undertake shareholder interest in coherence with the non-financial expectations to fortify the rights of shareholder activists.

Corporate Governance and CSR: Global Perspective

Firms with higher environmental responsibility have a greater share valuation and impact the applicability of a firm's disclosure and governance mechanisms. Voluntary disclosure of information amongst the managers and external stakeholders enhances a firm's transparency. Legitimacy theory implies that sustainability

[31] Fischer, Stanley. Globalization and Its Challenges. 93 Am. Econ. Rev. 1 (2003).

principles are effectively adopted by managers to influence perceptions of the firm. Internationalization and global assimilation are vital to understanding the process of external governance opportunities and enforcement measures to increase firms' valuation. Companies employing Pogge's theory of addressing the diachronic concept of harm by benefiting the rights of LDN and developing countries. Laswell rebalancing and redistribution are governed by changing climate conditions and economic applicability of redistribution in the globalized scenario. The idea of equality is pragmatic with implementation in legal institutions through the institution of legal institutions and distribution. The process of redistribution and recognition for fortifying the rights of shareholders/stakeholders and advocating for the framing of an ESG BOD and managing committee. Reputation and management risk play a vital role in corporate strategy, with the greatest impact on stewardship and TNCs to address sustainable goals. Society needs a guiding framework for achieving a sound solution with the applicability of SDG to corporations.

Mechanism Of India's Corporate Governance -: Adherence With A Global Perspective (Section IV)

The advent of globalization led to the convergence of corporate governance (CG) laws towards a single governance model based on transnational border principles, taking into account economic and social factors. The impact of a firm's CG practice correlates with the internal governance mechanism, which includes the Board of Directors (B.O.D.), stakeholders, and management concerning the corporate and structural aspects. Legal deterrence and accountability are suitable approaches for advocating success to serious managerial mismanagement and maldistribution.[32]. India's governance is progressively moving toward the adoption of Anglo-American corporate governance. Internal mechanisms constitute ownership, the structure of the Board, the auditing committee, and the compensation board. Each country has its regulatory framework, but integrating strategic processes from the E.U. and other globalized countries or regions with adequate disclosure mechanisms and green taxonomy will accentuate a developing country's CG Framework. Every Company is mandated to provide its quarterly report and disclosure to fortify the interest of shareholder activists, as well as portray the valuation of the Company and the difference in green transition and sustainable practices, the governance principle must adhere to a checks and balances authorization system that promotes the general interest of shareholder activists, market forces, and the intermediary. A share valuation plummets when the company undergoes a managerial change. Thereby, it's vital for corporations to follow ethical principles of governance and justice principles. India's governance is progressively moving towards the adoption of the Anglo-American model of corporate governance. The companies Board of Director(BOD) regulates the nature of business in accordance with corporations applicability. Each country regulates its framework with assimilation of strategic processes from the EU and globalized countries, with a mandate for adequate disclosure of mechanisms with green taxonomy. Human Capital is the controlling and non-controlling aspect of human labor in the functionality of the firms. Companies' adherence to compensation for overtime fortifies labor rights and proscribes exploitation. Regulating Indirect sourcing from least developed and developing countries. Employees in Bangladesh in the garment industry are the lowest paid across the world, making the country a destination for the indirect outsourcing of goods produced in the country.

[32] Zhong Zhang, *Legal Deterrence: The Foundation of Corporate Governance – Evidence from China*, 15 CORPORATE GOVERNANCE 741 (2007), https://onlinelibrary.wiley.com/doi/10.1111/j.1467-8683.2007.00621.x (last visited Oct 6, 2024).

Appropriate labor law fortification in the corporate and following framework in developed and developing globalized countries is vital. The establishment of the Corporate Governance Code and best practice principles in emerging countries is enhancing the role and functionality of independent directors in making their decisive decisions and ensuring the financial autonomy of the Company. Better Policies for Board Nomination and Election Procedure in Asia outlines measures for improving board functionality by providing insight into improving board transparency. It ensures the fair, just, distributive, and equality principle is not inclined toward mis-framing and maldistribution in the globalized world.[33] The US Congress provides incentives to organizations to ensure that corporate governance is duly complied with. All these legislations take into account the pedestal some employees occupy in a company in promoting corporate governance policies in a company.

Sustainability: The Systematic Methodology For Achieving India's Goal Of 2030 (Section V)

Social responsibility constitutes economic, legal and ethical expectation from the society and addressing distributive justice through political, economical, cultural and technological framework. For example, India's infamous blunder of the Union Carbide Corporation in the Bhopal Gas Leak Tragedy case[34] adversely affected not only Indian society but also the global community. Each nation follows their own vision for principles of justice, fairness, and societal interest. Globalization has downsides to it, which cause accidents such as the Bhopal Tragedy, but it has also given rise to Corporate Social Responsibility (CSR). Initially, the age-old practice of CSR was pivotal in gauging the cost in addition to firm value through philanthropic ideology and deviation towards modern stakeholder theory in enhancing share value, focusing on corporate impact over social and governance in society. The change in paradigm towards ESG. states that investors are more likely to respond to non-financial disclosure and enhance global transparency. The intricate value of CSR is exemplary, but the distillation process of CSR commenced when ESG first appeared in 2004 in a joint committee of the United Nations Global Compact, the effort to protect human rights and improve the conditions in the Workplace. The Freshfield Report 2005 provides the impetus for ESG investment and integration of the novel principle in society. In 2015, U.N. member states adopted an agenda for identifying 17 Sustainable Development Goals 2030 to achieve sustainable economic, social, and environmental development. Sustainable development measures ecological aspects in coherence with the Human Development Index (HDI). Globalization meticulously impacts socio-economic, environmental, and political aspects; however, the rise of globalization is detrimental when an increase in industrialization negatively impacts environmental sustainability. The rapidly growing aspect of globalization is pivotal for developing countries, as they must bring to the table a new aspect to compete, as countries are incorporating plays on sustainable development, environmental, and social governance to fortify the global economy's rights through polluter pay. ESG consists of three primary pillars that address a company's sustainable practices in a globalized world. The ESG framework is instrumental in providing aid and assistance to the stakeholders and conceptually analyzing the functionality of the corporate and systematic approach to addressing sustainability

[33] Shigufta Hena Uzma, *Corporate Governance Practices: Global Convergence and Indian Perspective*, 10 QRFM 285 (2018), https://www.emerald.com/insight/content/doi/10.1108/QRFM-12-2016-0049/full/html (last visited Oct 6, 2024).
[34] Union Carbide Corp. v. Union of India, (1992) 1 SCC 584.

issues, greenwashing legislations, and enhancing the ESG rating. A globalized world includes the global economy where companies allocate their resources to internal control activities to integrate ESG activities into the Company's primary objective and fundamentals. The systematic approach of integrating the internal system of corporate governance into ESG rating is a strategic tool for the enhancement of the long-term valuation of the Company. Shareholder activism is pivotal in emphasizing the commitment of a broader spectrum of stakeholders, fortifying their rights and interests in a company. India's robust economic growth, industrial exploitation of non-renewable energy sources, and rise in infrastructure development have resulted in India doubling its Greenhouse Gases in 2026 from a current level of 338 million. The global ecosystem comprises multiple E.S.G. actors, which are inclusive of United Nations (U.N.) agencies, institutional investors, service producers, and N.G.O. activist organizations. Transnational ecosystems in a global market are actively institutional investors, portfolio management, and preparedness in transitioning towards a low-carbon economy, TNCs' voluntary formulation of environmental programs and the distinction between rich and poor companies. Although multiple transnationals. Many T.N.C. develop contact by engaging with dialogue and stakeholders internally and externally on CSR activities. Finally, T.N.C. adoption of corporate governance, fair procedure, and compliance with business practice. It is essential to consider not only the economic-financial status of the corporation but also deliberation towards non-financial indicators of the Company, which include business transparency, ethical disclosure, and globalization.

Corporate Governance and Green Taxonomy: Enhancing India's Anti-Greenwashing Framework (Section VII)

Global Development and the U.N. Climate Change Conference (COP21), Paris 2015, lays the framework for enhancing India's National Voluntary Guidelines (NVG) in coherence with the SDG. The emerging global issue about sustainability and countries' approach to the 2030 reduction of carbon emissions led India to revise its NVG and replace the guidelines with the National Guidelines on Responsible Business Conduct(NGBRC), 2019. The overlapping of business from ethical, moral, and accountability perspectives, with an understanding of the consumer’s perspective of a globalized world. Greenwashing is essentially "*providing false, misleading or pretentious environmental sustainability qualities of any product or service*." Businesses falsely advocating greenwashing adversely affect the Principle of Equal and distributive justice of all the shareholder activists and any consumer purchasing the product in societal integration and assimilation. The infamous case of Coca-Cola Company's advertisement pertains to the Company advocating its plastic bottles as recyclable, even though they remain one of the top plastic polluters in the globalized world. However, ESG disclosure is often exaggerated in greenwashing, and a marked deviation exists between the Company's ESG claims and actual practices.[35] The consumer realm adjudicates with Federal Trade Commission's(FTC) Green Guidelines, disclosure of Security Exchange Commission(SEC), and E.U. Green Taxonomy regulation. Globalization is changing the way we think about justice; hence, flawed greenwashing regulation or the absence of the provision in general is detrimental to companies and societal integration in developed, developing, and underdeveloped countries. Nancy Fraser's transformative approach addresses globalized justice and the

[35] Greenwashing And E.S.G.: What You Need To Know – Forbes Advisor, https://perma.cc/X587-9CAH (last visited Oct 3, 2024).

principle of transparency and societal development. In modern times, the aggrandization of incentives concerning business and shareholder activism through the ambit of an accountable, ethical, and morally considerate character is imperative in fortifying the community's rights and environmental short and long-term efficacy. For example: E.S.G. Recent trends of consumers wherein a colossal demographic of people all around the world is transforming. The World Health Organization says, “Reducing livestock herds would also reduce emissions of methane, which is the second largest contributor to global warming after carbon dioxide.” There is an awakening of green passion amongst consumers to shift to environmentally friendly products as they are changing their food habits to reduce greenhouse gas emissions. Hence, this shows that the companies following ESG Principles will be catering to a large global market, and their efforts to green their policies will not go in vain but will lead to profit generation. The idea of social justice is vital to address the need for people[36]. Globalization creates many opportunities with inter-connecting societies and the right of ecological applicability. Climate change provides a complex global sustainability with three pillars of sustainable development, including the globalization process and addressing sustainability issues. Harnessing sustainable development with the theory of ecological modernization and concerns for peace, justice and development.

Transnational Corporation and Skeptics -: Sustainability and CSR

Multiple TNCs incorporate the principle of sustainable development, which is often misleading, incomplete, and redundant. Thereby, this paper necessitates India's effective transnational reporting mechanism with corporate applicability, with rights of institutional investors and ESG Stewardship in the global market. E.S.G. stewardship ecosystem constitutes an essential applicability of corporate governance. Further, E, S, and G are categorized in coherence with changing environment and climatic conditions with respect to human rights and achieving workforce diversity in society. An investor is duly concerned with a company's portfolio management and preparedness, and the transition into a “low carbon economy” is in addressing a company's decisions concerning environmental safety and expansion. **Transnational corporations' voluntary formulation of environmental programs is contained in both rich and poor countries**. CSR colossal T.N.C., environmental and regulatory compliances. Deviation from the Philanthropic ideology of governance and external relationship with stakeholders to modern stakeholder theory. CSDDD establishes that companies are required to carry out activities that fortify human and environmental rights, with companies duly complying with an effective due diligence procedure. Thereby, this paper states that effective reporting and due diligence in a globalized world assist nation-states to frame their own corporate due diligence directive in coherence with the EU framework. Skeptics argue the applicability of TNC and utilize sustainability or CSR reporting with the concept of greenwashing, advocating the pre-requisite of novel regulation for developed, developing, and underdeveloped countries. Multiple TNCs engage in dialogue with stakeholders and shareholders to discuss information relating to internal and external CSR activities. Finally, T.N.C. adoption of corporate governance, fair procedure, and compliance with business practice. It is quintessential to advocate not only the economic-financial status of a corporation but also due deliberation towards non-financial indicators of the company, which is inclusive of environmental fortification, business transparency, ethical disclosure and sharing, and globalization. Corporate citizenship is a part and parcel of sustainability and

[36] Amartya Sen, *Commodities and Capabilities* (Oxford Univ. Press 1999).

governance mechanisms, fortifying employees from workplace-related incidents and promoting sustainable development, reduction of poverty in least developed and developing countries, and reducing company's carbon footprint in the long run. reducing the carbon footprint on which the company operates in the long run. The commitment of the country towards a transnational corporation eventually leads to the formulation of novel regulations and strategies that concern not only economic, social, and political indicators of globalization but rather the assimilation with the novel approach of ESG and environmental sustainability globalist principles. Suez, a French gas and electric transnational Corporation, advocates the vigilant principles of providing disclosure and transparency to the shareholders and complies with environmental principles and governance. Global recognition and importance for sustainability and ESG are duly adhered to with paradigm change and commitment to achieving the goals of countries and companies situated in regional territories such as the European Union, providing a glimpse of the EU's carbon neutrality principle by 2050. Countries and Transnational corporations in Germany pledge to reduce and prohibit carbon emissions by 2045. The myth of ethical practices, disclosure, and enhancement of sustainability into a reality is only when there is a change in the mindset and approach of the corporation and regulatory mechanisms.

Conclusion

The acknowledgment and consideration of ESG by the Parliament are necessary in order to amend provisions of related legislations, such as the Companies Act, in order to provide an all-around development of all three aspects of ESG. Indian legislation has given a minuscule consideration of 2% of profits in the form of CSR, which needs to be proportionate to the amount of environmental, social, and governance norms. This can be done properly only if there is an external vigilance officer placed in the CSR Committee who will be responsible for reporting ESG-related violations in order to report to the Government. There needs to be more government intervention in CSR control, as it undermines all the other welfare initiatives of the Government. Standardization approach assessment is essential in deciding the appropriate and uniform method of data collection from companies across the globe. Incorporating EU green taxonomy principles and introducing a greenwashing regulation into Indian Legislation, but formulating it according to the objectives and goals India plans to achieve. This paper necessitates the framing of effective sustainable practice and environmental fortification regulations. Effectively understanding Rawls' distributive framework for safeguarding the rights of LDN and developing countries. The widespread process of ESG with substantial growth and governance, with evaluation of investment in hazards and opportunities. The scope of globalization with technological advancement and the geospatial implementation of corporate operations. ESG addresses the mis framing of justice and the process of maldistribution of corporate policies and worldwide LDCs with the environmental goal of 2030. The applicability of the polluter pay principle and formulates a policy of the social justice principle with Rawls' distributive justice. Enhancing India's anti-greenwashing regulations with framing of a risk based classification and green taxonomy system. The doctrine of public trust for enhancing India's environmental law in safeguarding the rights of natural resources and a hybrid oversight committee of the Precautionary and Polluter Pay principle. The EU's multifaceted impact affects a company's financial performance and signals that corporations adjust their resources with governance structure. It is essential to consider not only the economic-financial status of the corporation but also deliberation towards non-financial indicators of the Company, which include business transparency, ethical disclosure, and globalization. Lastly the paper discusses that all inequalities is addressed with effective applicability of EU reporting and mandatory sustainability reporting to mitigate carbon emission and enhance human right and CLR fortification.

Suggestive Measures.

Harnessing an ESG policy framework with the perspective of globalists, with assimilation of Distributive justice and standardized global corporate policy. Enhancing India’s ESG framework with the applicability of EU ESG, America's framework, and globalists and sceptics' perspectives of SDG 2030 and the objectivity of global net neutrality by 2050. The assimilation of ESG in a globalized world, with the applicability of Nancy Fraser's transformative principle, with welfare for the globalized community. Implementing an effective distributive justice with the EU Taxonomy and novel green regulations for promoting sustainability. Long-term valuation and investment are vital for enhancing India's shareholder activism and focus on the concept of non-financial indicators and the future of the country's corporate governance. Social Robustness with the principle of globalization and addressing the present and future needs of the generation with social justice and responsible investment principles. The assimilation and integration of TNCs with the principle of global justice, police, and trade reforms. The policy of redistribution and reorganization for economic and societal aspects, with political and economic dimensions, is contained in the society. This paper emphasizes the principles of framing India’s ESG and anti-greenwashing regulation with principles of corporate reputation and sustainability. Robust spatial data management enhances data quality, accuracy, and reliability in mitigating ESG risk. Understand the risk-based classification system to assist LDN and developing countries with ensuring the financial autonomy of the Company, ensuring the fair, just, distributive, and equality principles for addressing mis framing and rights of maldistribution in a globalized world. Enhancing India’s sustainable and corporate governance framework with the framework of globalized justice and the TNC framework. The necessity for companies across the globe to comply with mandatory HRDD and CSDDD regulations to fortify the interests of human rights and CLR. Lastly, this paper states that effective CSRD reporting will assist nation-states to reach their goal of carbon emission reduction with effective reporting directives. Thereby this paper states that mandatory HRDD and CSDDD and vital for companies to comply with CSRD and other regulatory framework in the globalized world.