



# Integrating ESG, Corporate Governance, and Sustainable Development: A Framework for Corporate Contribution to Viksit Bharat 2047

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## Abstract:

India's aspiration to achieve developed nation status by 2047 under the vision of Viksit Bharat represents a structural transformation agenda rather than merely an income milestone. This transformation requires environmental resilience, inclusive growth, institutional maturity, and financial modernization. Corporate sustainability, operationalized through Environmental, Social, and Governance (ESG) integration, has emerged as a prominent governance architecture within global capital markets. However, ESG is often interpreted narrowly as a compliance requirement or reputational mechanism. This study reconceptualizes corporate sustainability as developmental infrastructure within an emerging economy context. Drawing upon stakeholder theory, institutional theory, legitimacy theory, and developmental state perspectives, the paper proposes a conceptual framework that positions ESG integration as a driver of macroeconomic transformation. The analysis suggests that ESG adoption can contribute to institutional strengthening, capital market development, innovation capacity, and green industrial transition key pillars of the Viksit Bharat 2047 vision. By embedding corporate sustainability within national development architecture, the study contributes to the theoretical discourse on sustainability, governance reform, and structural transformation in emerging economies.

**Keywords:** Corporate sustainability, ESG, corporate governance, institutional transformation, emerging markets, Viksit Bharat 2047.

## 1. Introduction

The vision of Viksit Bharat 2047 reflects India's long-term ambition to emerge as a developed, globally competitive, environmentally sustainable, and socially inclusive economy. Development in this context extends beyond aggregate economic growth; it includes institutional maturity, technological advancement, governance credibility, and ecological sustainability. Achieving such transformation requires coordinated efforts between government institutions and private enterprise.



Corporations play a central role in this transformation. They allocate capital, generate employment, drive technological innovation, and influence environmental outcomes. Consequently, corporate governance structures and sustainability practices have broader macroeconomic implications. In recent years, Environmental, Social, and Governance (ESG) frameworks have become central to corporate sustainability discourse. ESG integration refers to embedding environmental responsibility, social considerations, and governance transparency within corporate strategy and decision-making processes.

Despite its growing prominence, ESG is frequently examined through a narrow lens focused on financial performance or risk management. While these perspectives are important, they underestimate the broader structural role ESG can play in emerging economies pursuing developmental transformation. This paper argues that corporate sustainability, when appropriately conceptualized, can function as institutional infrastructure supporting long-term national development.

## **2. Objectives of the Study**

1. To examine the conceptual relationship between ESG integration and corporate sustainability.
2. To analyse how ESG practices contribute to institutional strengthening and governance quality.
3. To explore the potential role of corporate sustainability in supporting India's long-term development vision of Viksit Bharat 2047.
4. To develop a conceptual framework linking firm-level sustainability initiatives with broader structural economic transformation.

## **3. Scope of the Study**

This study focuses on examining the relationship between corporate sustainability and India's development vision under Viksit Bharat 2047. The analysis is conceptual in nature and relies on existing literature on ESG practices, corporate governance, and sustainable development. The study does not involve primary data collection; instead, it synthesizes theoretical perspectives and scholarly discussions to understand how sustainability initiatives by corporations may contribute to national development outcomes.

## **4. Research Methodology**

The present study adopts a qualitative and conceptual research design. The analysis is based on secondary sources including peer-reviewed academic literature, sustainability reports, and policy discussions related to ESG adoption and corporate governance reforms. Theoretical perspectives such as stakeholder theory, institutional theory, legitimacy theory, and developmental state theory are examined to understand the role of corporate sustainability in economic development. Through a



synthesis of these perspectives, the study proposes a conceptual framework linking firm-level ESG practices with macro-level developmental transformation.

## 5. Literature Review

Existing literature highlights the increasing significance of corporate sustainability and ESG integration in achieving sustainable development objectives. Several studies indicate that corporate social responsibility initiatives and ESG practices can contribute to social welfare, environmental protection, and inclusive economic growth. Research examining CSR and SDG alignment in India suggests that corporate initiatives are increasingly linked with national development priorities such as poverty reduction, education, and environmental conservation. Empirical studies also demonstrate positive relationships between sustainability practices, corporate reputation, and stakeholder trust. Other scholars emphasize the importance of corporate governance mechanisms, sustainability reporting frameworks, and institutional regulations in strengthening ESG adoption and transparency within capital markets.

### 1. Mahmood, N. et al. (2025), Corporate Sustainability and SDGs: A Systematic Review

A comprehensive synthesis of 315 peer-reviewed articles mapping corporate sustainability with SDG priorities, highlighting trends in ESG transparency, stakeholder governance, and institutional frameworks. Establishes foundational theoretical frameworks for connecting corporate sustainability to development outcomes.

### 2. Gupta, S. (2025), CSR and SDGs for Developed India @2047

Focuses on how CSR and SDG alignment among firms, including MSMEs, can contribute to India's long-term development aspirations, showing empirical correlations and policy implications central to your topic.

### 3. Panko, S. et al. (2024), Corporate Social Responsibility and SDGs: Insights from India

Examines how Indian corporations align CSR expenditure with SDGs, highlighting gaps and challenges in addressing environment and inequality goals, providing context for alignment analysis.

### 4. Poddar, A. (2025), Strategic Alignment of CSR Expenditure with SDGs in India

Analyzes secondary data from CSR expenditures mapped to SDG themes, revealing how CSR activities reflect development priorities and where strategic neglect exists, which directly informs your RQ3.

5. Gautam, R. S. et al. (2023), CSR Funding and Impact on India's Sustainable Development

Uses panel data and advanced econometric methods (GMM) to show CSR funding's positive contribution to sustainable development indicators, especially education and poverty alleviation, adding empirical underpinnings.

6. Mohammed, S. S. et al. (2025), CSR and Corporate Financial Performance: Indian BSE500 Analysis

Demonstrates relationships between CSR initiatives and corporate financial outcomes, which is essential for understanding the economic pathway (H2a) of corporate sustainability.

7. Sustainability Science & Resources (2025), Corporate Sustainability and SDGs: Human Rights Lens

Reviews how corporate sustainability, SDGs, and business practices intersect with human rights considerations, supporting theoretical linkage across social and governance dimensions.

## **6. Theoretical Foundations**

Stakeholder theory suggests that organizations create sustainable value when they consider the interests of multiple stakeholders rather than focusing solely on shareholder profits. In the context of emerging economies, responsible business practices can contribute to social welfare, environmental protection, and long-term economic stability.

Institutional theory explains how organizational practices are shaped by regulatory, normative, and competitive pressures. In India, the increasing adoption of ESG reporting frameworks such as Business Responsibility and Sustainability Reporting (BRSR) reflects growing institutional expectations regarding transparency and accountability.

Legitimacy theory highlights the importance of social approval for organizational survival.

Companies increasingly adopt sustainability initiatives to maintain legitimacy among investors, regulators, and society. In global capital markets, ESG disclosure acts as a signal of responsible corporate conduct and reduces perceived investment risk.

The developmental state perspective emphasizes collaboration between government institutions and private firms in achieving structural economic transformation. Within this framework, corporate sustainability initiatives can complement public policy objectives related to green growth, inclusive development, and institutional modernization.

## **7. Data and Analysis**

The study relies on secondary data sources in the form of academic publications, policy reports, and sustainability frameworks to analyze the role of ESG practices in corporate sustainability. The analysis focuses on identifying key themes related to environmental responsibility, social inclusion, and governance transparency. These themes are examined to understand how corporate sustainability initiatives influence institutional development, investment confidence, and long-term economic transformation within emerging economies.

## **8. Conceptual Framework**

Based on the theoretical discussion and literature analysis, the study proposes a conceptual pathway linking ESG integration with broader developmental outcomes. ESG practices strengthen corporate sustainability capabilities such as environmental innovation, stakeholder engagement, and governance transparency. These capabilities contribute to institutional strengthening and improved investor confidence. Increased trust and regulatory stability promote sustainable capital formation, which supports technological advancement, infrastructure development, and green industrial transition. Ultimately, these processes contribute to long-term structural transformation aligned with the vision of Viksit Bharat 2047.

## **9. Findings**

The conceptual analysis highlights several important insights. First, ESG practices contribute to improved corporate governance and transparency, strengthening investor confidence and capital market efficiency. Second, environmental initiatives encourage resource efficiency and technological innovation, which are essential for sustainable economic growth. Third, social sustainability initiatives enhance workforce development, community engagement, and inclusive economic participation. Collectively, these outcomes suggest that ESG integration can act as an institutional mechanism linking corporate behavior with national development priorities.

## **10. Conclusion**

The pursuit of Viksit Bharat 2047 requires transformation across economic, institutional, and environmental domains. Corporate sustainability, operationalized through ESG integration, offers a structured mechanism for aligning firm behavior with national development objectives. Rather than viewing ESG merely as a compliance requirement, it should be recognized as a strategic framework supporting institutional strengthening, green industrial transition, and inclusive growth. When



embedded within corporate governance systems and supported by appropriate regulatory frameworks, ESG practices can contribute meaningfully to India's long-term developmental transformation.

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