

GREEN INITIATIVES IN CORPORATE GOVERNANCE IN INDIA¹MEGHA BAJAJ, ²DR. SUNIL KUMAR

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Introduction

The environment generally supports the life of all creatures. Today's business agenda is going green. Every company wants to go green. Companies are now more concerned with their social responsibility. Corporate social responsibility is part of corporate governance. The term "corporate governance" is recommended in today's business world and throughout the corporate world. It can be traced to the acute work of Berle and Means¹ in his book "The Modern Corporation and the Property", which first highlighted the exceptional features of the development of the corporate structure. The revolution in the structure of the company is due to the lack of responsibility of management towards the shareholders, but also towards the public. A company is now seen as a social institution that interacts with society in various ways and influences its units. The most important thing to recognize citizens, namely shareholders, employees, creditors, customers and government, should be to manage this institution rationally.² In addition, corporate governance refers to the organization and process of management and control of companies, the only overarching objective of all listed companies is their safety and the excessive practical intensification of shareholders' equity over time. The corporate governance system also encompasses the entire network of formal and informal relationships and communications that govern how a company is regulated and how the risks and benefits of doing business are determined. In short, corporate governance is the process of managing, managing and controlling a company through a range of business processes, practices, policies and laws. It is a meeting with stakeholders,³

Concept of green initiatives in corporate governance

The concept of "Green Initiatives for Corporate Governance" is to provide digital interaction to stimulate green initiatives. Government authorized industry to provide communications and documents to stakeholders and members electronics for digital interaction.⁴

Company Disclosure of the "Green Initiative for Corporate Governance" The Ministry of Affairs comes after the Post Office department the establishment of mail completed under the "posting certificate". It is also online with the 2000 Information Technology Act, which "allows the supply of documents etc. electronically," the ministry said in a circular.⁵ Section 53 of the Companies Act of 1956 allows companies to facilitate service documents Members and shareholders under the "Certificate of post" as one of the universal forms of service.

The concept of "green corporate governance initiatives" means electronic support and inspires good governance. The practice of information technology in corporate governance leads to greater efficiency, transparency and costs. Green initiatives help deliver services faster and protect the interests of all shareholders.⁶

The corporate governance system is very complicated and involves a number of people, decision and serial processes, technologies, procedures and codes of conduct. Confirm the adaptability and adequacy of the company Governance as a starting point for improving business performance and consolidating corporate standards in the capital market needs to assess how information technology can contribute to this business. In order to do all the work for good corporate governance, it is important to respect the principle of information and limit the corrupt use of all information by all

¹ AA Berle and GC Means, "The Modern Corporation and Private Property" (2nd edition Harcourt, Brace and World, New York 1967)

² Barry Dunphy, "Corporate Governance - Directors' Liability", available from <https://business.tafe.vu.edu.au/dsweb/get/document156601/issues+arising+out+of+directors+responsibility.pdf>, (Last visited on October 13, 2019)

³*Ibid.*

⁴ Elets NewsNetwork, "From e-governance to green governance", available at <https://egov.eletsonline.com>, (last visited on October 15, 2019)

⁵*Ibid*

⁶ Shinu Vig, "Assuring Better Corporate Governance through E-Governance", International Journal of Marketing, Financial Services and Management Research, Volume 1, Issue 9, September 2012

people who are part of corporate governance. internal or external. Business system. In this context, the use of information technology can be view as a real support to the promotion of corporate governance.⁷

Evolution of green initiatives in India

Historically, the ancient Indian trading system had relations with different corners of the world, such as China and Europe. The kings of different parts of the country, Chola or Patliputra, were patrons of the trade, which led to growth and development. These trading patterns slowly took shape and the first Indian trading organization appeared in South India around 1650. The system continued from this time until 1800 AD. The great change in the structure of commercial structures and commercial institutions in India took place in 1850 with the advent of British colonialism, which was facilitated by the establishment of a factory system for the production of cotton and jute textiles in India.⁸ These models are:

Manage Agency model (1850-1956)

With the inception of the Indian Companies Act of 1850 (first) for the formation of limited liability companies for trade and the resulting changes in 1857, administrative agent institutes began to have a significant impact. Administrative agents were sole proprietorships or companies mandated by limited liability companies to deal with inquiries from subsequent companies. The base of British management agents was and Bengal, the place of imperial power in India. Later, the number of management agents on the west coast of India increased, particularly in Bombay and Ahmedabad, where the cotton and textile industries were concerned. In 1913, management officers controlled most cotton and jute mills, tea gardens, and coal mines. A high degree of integration between industrial companies and banks was observed between 1914 and 1947. During this period, industrial Indian families appeared and family management was maintained. The management organization system was abolished in 1969.⁹This was not a good time for green initiatives. The concept of corporate governance started at the time, but there is currently no concept for environmentally friendly initiatives.

Business House model (1956-1991)

The new industrial policy in the post-independence period formed the economic structure of the country. The policy focused mainly on import replacement and restrictions on the unlimited growth of private companies. Meanwhile, regulators such as the Controller of Capital Issues (CCI), financial and credit institutions such as the Industrial Development Bank of India and various other government interventions and restrictions in the form of import restrictions, regulated currencies, licenses and resource allocation, etc. aim to phase out the institutions of the administrative organization, to better protect shareholders' rights and to protect the interests of the public. Private sector involvement is largely dominated by family businesses. with controlled presence of foreign investment. Company houses have followed the benevolent approach to social growth in the context of corporate social responsibility. Tata and its flagship TISCO continue to operate. including a rural development company. During this period, the relationship between business and government was characterized by a combination of insufficient political influence from business and rent-seeking behavior by the government, that politicians and bureaucrats wanted to leave companies for commercial reasons of licensing, loans. Tata and its flagship TISCO continue their efforts with several initiatives, including a rural development company.¹⁰This period marks the beginning of the concept of corporate social responsibility and environmental responsibility is part of corporate social responsibility. We can therefore say that the growth of green initiatives started to grow during this period.

Anglo-American model (until today 1991)

The 1991 budget crisis and the resulting corrective and government reformed measures to liberalize and globalize have removed the constraints and bottlenecks in the industrial sector. The new industrial policy of 1991 gave the economy a strong recovery against the economy in the form of deregulation, competition, commercialization, commercialization and liberalization. Various measures have been taken, such as strengthening certain shareholder rights, limiting the number of dictatorships, reporting changes, request of a small appointed director, etc. These transformative measures were the result of circumstances such as the lifting of capital controls¹¹ Meanwhile, the Department of Commercial Affairs (MCA) provides the legal framework for companies to support sustainable development and, through the amendment of the

⁷*Ibid*

⁸JP Sharma, Corporate Governance Corporate Ethics and CSR 9 (Ane Books Pvt. Ltd., New Delhi, 2nd edition, 2018).

⁹Tusharika Bhattacharya, "Why do corporate governance models differ around the world?", *Available at* <https://blog.ipleaders.in/models-corporate-governance-vary-,across-globe/>, (visited October 16, 2019).

¹⁰*Supra note 11*

¹¹Nehaa, "The Anglo-American Model of Corporate Management - Basic Overview", *available at* <https://implicity.wordpress.com>, (visited October 17, 2019).

Indian Companies Act of 1956 in 2013, has made arrangements for initiatives respectful of the environment. Now the law is known as the Indian Companies Act, 2013

Legal provisions related to green initiatives

The Corporate Affairs department is important to all its stakeholders, including:

- More than a million companies are incorporated under the Companies Act of 1956 or 2013.
- 28,000 companies are covered by LLP (Limited Liability Partnership).
- CA (auditor)
- CS (company secretariat)
- Accounting
- Formerly known as a department business, known since 2004 as the Ministry of Economic Affairs. From 2008, MCA will become the electronic administrative portal of the Ministry of Enterprise. The portal offers the following services:

Electronic submission:

Under Annual electronic filing, companies registered under the Companies Act of 1956 must file electronically the following documents to the ROC

- P&L A/C FROM XXIII ACA Income Tax Return Report to be Filed by All Businesses
- Annually 20B Form to submit declaration form by capital companies
- Annually The declaration form 21A must be submitted by companies without share capital Certificate 66 must be submitted from companies selling Rs. Have deposited 10 lakh capital at Rs. 5 crore

The portal also for annual electronic submission of documents offer the possibility of submission.

Edit business data

Any company can change the following information on the MCA website:

Registration of companies: companies can register via the MCA portal. It is also set up for Registration of companies under Section 8 of Companies Act and foreign companies.¹²

Digital signature certificate Services: The Information Technology (IT) Act 2000 contains certain mandatory provisions for the application of digital signatures to documents submitted in electronic form to confirm the security and accuracy of the documents submitted electronically.¹³

This is a safe and accurate way to submit a document electronically. Just as such Business / LLP advice under the MCA21 Electronic Governance program submitted by the person authorized to sign the documents with digital signatures.

Director Identification Number Services: The concept of Director Identification Number (DIN) was first included in the section 266A to 266G of the Companies Act (Amendment), 2006. As such, all and scheduled pilots must complete DIN within the prescribed time as specified.¹⁴

SRN / transaction status monitoring: an installation has been created applies to the general public to consult the basic information of each company / LLP registered with the company registrar. This installation can be operation by clicking on "Show basic operating data". A similar possibility has also been created with regard to the cost register for companies / LLP by clicking on "Show the cost index" and clicking on Click View Signature Details to view the details of a company's / LLP signers.

Investor complaint via the MCA portal

Investors can apply Submit a complaint to the portal they provide:

- Corporate identity Number (CIN) and global location number (GLN)
- Address of Company headquarters
- The nature of contains a registered complaint about
- Shares / dividends,
- Bond / bond,
- Fixed deposit / non-receipt of amounts,
- Failure to submit a refund for cancellation of the driver form 32

¹² Section 8 of Indian Companies Act of 1956

¹³ Section 5 of the Information Technology Act, 2000

¹⁴ Section 266 of the Companies Act (amendment), 2006

-Other complaints

For every complaint The company must use a different form.

Corporate Sewa Kendra

For any problem related to Companies can contact Corporate Sewa Kendras to consult business creations, electronic filing and public documents. A single DIN cell for questions about the DIN also arise.¹⁵

Business data to be managed electronically Form: Any publicly traded company or company with no less than 1000 shareholders, obligation Holders and other holders of securities manage their administration electronically form.¹⁶

Postal voting: A company makes decisions by correspondence only for matters announced by central government. In a postal vote, voting takes place within 30 days after sending by post or electronically.

Dividend payment: Section 123 of the new law states that a cash dividend can be paid by: check or money order or electronically to the shareholder who is authorized to pay the dividend.¹⁷

Transfer of decisions in circulation: Section 175 of the 2013 Law provides It is assumed that a decision by the Board of Directors has only been taken in a circular procedure if it is included in the project, through the accompanying documents, by manual delivery or by post or by post or electronically can contain email or fax.¹⁸

Electronic voting: Every listed company or a company with no less than 1,000 shareholders offers him convenience Members must grant GM their voting rights electronically. A member is authorized grants each CEO the right to vote electronically and the company can confirm any decision (regular / special) regarding an electronic voting system.

Meeting notification: A report of every rejection messages and subsequent returns are made by or on behalf of Company as proof of delivery. The company is not responsible for defects in Communication beyond their control. If the member does not provide an updated email address, the company is not in default.

Meeting announcement: A company can bet Summons via electronic mode. A message can be sent by e-mail text or attached to an email or as an electronic link or URL statement to access this notification when posted on the company website. Can be "electronic mode" any communication from a company through her secure computer program that is authorized to store the acceptance and document of such communication with the copyright holder communication to the last email address provided by the member.¹⁹

The meeting is convened through distribution report at least 7 days, this can be done electronically. General meeting can be electronically stored in the prescribed manner for at least 21 days.²⁰

Document delivery: a document can be delivered on a electronic company. You can browse through a document electronic delivery.

Inspection and copies of documents in electronic form: the company examines documents in electronic form or provides copies of these documents. A clear reproduction of all or part of it against payment of up to ten rupees per page.

Conclusion

Corporations play a vital role in a country's economy. Good corporate governance can therefore be used as a synonym for national prosperity. Corporate governance is a combination of shareholder democracy management integrity and a legal system in which uniform laws are applied in a uniform manner. Electronic governance is an important part of Indian companies, especially in recent situations such as COVID-19. During this blockade, the entire world economy deteriorates. All members of companies generally work in electronic modes. Measures related to environmentally friendly initiatives will help organizations fulfill their obligations in a timely and organized manner. Electronic voting is not only a step towards environmentally friendly initiatives, but also increases the transparency and efficiency of the organization. It is a simpler and more effective method. By increasing transparency and efficiency, the Indian Companies Act 2013 sought to bridge the gap between stakeholders, shareholders and the board of directors. The provisions for environmentally friendly initiatives mentioned in the 2013 Law undoubtedly strengthen the structure of business, which will help the country achieve national prosperity. It is a simpler and more effective method. By increasing transparency and efficiency, the Indian Companies Act 2013 sought to bridge the gap between stakeholders, shareholders and the board of directors.

¹⁵ "Corporate E-Governance Law", available at www.indianlawwatch.com, (last accessed on January 22, 2019)

¹⁶ Section 120 of the Indian Companies Act, 2013

¹⁷ Section 123 of the Indian Companies Act, 2013

¹⁸ Section 175 of the Indian Companies Act, 2013

¹⁹ Rule 18, Business rules (management and administration), 2014

²⁰ Section 171 of the Indian Companies Act, 2013