



# Preface

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ESG is a buzz word these days. It is to be seen as an alarming word also to our own existence. The Environmental-Social-Governance Framework commonly known as the 'ESG' is to be adopted by all types of businesses to be competitive and sustainable. There are many dilemmas associated with the adoption, integration, practice and reporting of ESG particularly in Indian context. This book presents the conceptual understanding on basic aspects of ESG as well as specific in-depth knowledge on each component of E, S & G. It gives a step-by-step guide on how to begin ESG journey in a company. This book will be a great learning experience for the Sustainability & ESG Professionals, budding Students in this sector, Non-Financial Audit & Assurance Professionals, Members of the Board, Investors, Consumers, Employees, and for other such stakeholders to the business.

Some of the unique features of this book are that the authors have propounded a "New Theory of Responsibility – creation of responsible capitalism, towards a new age of responsibility..", authors have also propounded the "Originality Approaches" for the businesses to integrate ESG in true sense to reap benefits of doing good. A new "Solar System Model of ESG" has also been propounded and presented by the authors in this book. The book provides readers a unique opportunity to grasp the most important aspects of ESG specifically in Indian context.

Chapter 1 on ESG - Definitions, Theories & Models compiles some of the standardised Definitions of ESG and after analysis redefines ESG as per the Indian context; it provides a comprehensive view on global as well as Indian evolution of the ESG as a concept; presents existing ESG Theories and propounds a new theory of responsibility; it provides the readers various models of ESG and also propounds new solar system model of ESG.

Chapter 2, ESG in India provides a comprehensive understanding on evolution of ESG in India and various instruments available for integration, practice, measurement, rating and reporting. It focuses ESG in Indian context and defines the NGRBC, BRSR, BRSR Core, BRSR Lite, regulatory

regime of ESG in India and role of key institutions. Some of the key ESG trends and issues in India have also been explained.

Chapter 3 is on beginning with ESG journey in an organization. It focuses on how to conduct ESG baseline, peer benchmarking, materiality assessment, develop required policies, set targets and KPIs, monitor and measure performance, ESG audit in Indian context, participate in ESG index, report ESG including in value chain. It also talks about ESG and Branding, ESG and Investing, ESG and Profitability, ESG and Risk Mitigation, Measuring ESG against SDGs and other global goals among others. This chapter is an attempt to make learners equipped with the knowledge required to adopt and establish ESG related aspects in a company.

Chapter 4 is on Environmental Dimensions of ESG, it starts with the environmental risks to business, environmentally responsible investing, and also focuses on Indian regulatory mechanisms. It covers the key concepts like Climate Change, Carbon Accounting and Carbon Footprint calculation, decarbonisation solutions, Business and Biodiversity Conservations, Environmental Profit & Loss Account, Product Design, Life Cycle Assessment, Circular Economy, Environmentally Responsible Procurement & Cleaner Production. It also dwells upon key instruments like EIA, CRZ, EMP, SEA, EMS, ENVIS, CCTS, Eco-labelling etc.

Emphasis of Chapter 5 is on the Social Dimensions of ESG. It presents Social parameters under ESG including social risks to businesses, Diversity & Inclusion, Gender equity, Business & Human Rights, Community relations, Health & Safety, Corporate Social Responsibility & Product Safety etc. Information pertaining to key social impact certifications, Measurement and Audit tools has also been provided.

Chapter 6 Governance Dimensions of ESG (Governance) presents redefined corporate purpose in the new age of responsibility and revisits how corporate performance is conceived and assessed, it presents a shift towards cross sectoral leadership, Rights and duties of shareholders, an overview of Corporate Governance in Indian Law, Responsible Governance initiatives, building effective Boards, key leadership styles, transparency, Financial Disclosure, Feedback & Communication mechanisms, and risk management. Governance of sustainability issues, governance disclosure under key frameworks, global best practices in corporate governance have also been provided for the readers.

Chapter 7 deals with the summarising and way forward of ESG in India. It provides an overview on the key ESG targets, issues, challenges and achievements collectively in India, objectively verifiable benefits of adopting and disclosing ESG, summarises Indian developments and roles of key

Government institutions & sustainable development as a fundamental right, it also provides perspectives on ESG from sustainable value addition and sustainability champions.

We hope the book will demystify the various nuances of ESG and will help strengthen the responsible conduct of individuals, businesses and other entities.

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