

# perspectives

A Quarterly Viewletter

Vol 2 | Issue 2 | July 2023

Focus : Sustainable Development

## The Role of India Inc in Promoting Sustainable Development

GUEST VIEW

Climate change today has emerged as an existential crisis. Over the last few years, the world has witnessed unprecedented extreme weather events across the globe. India also mirrors this threat. According to a report released in November 2022 by the Centre for Science and Environment (CSE), India recorded extreme weather events on 88% of the days between 1<sup>st</sup> January and 30<sup>th</sup> September 2022. The extreme weather events were of all types – heat waves, lightning and extremely heavy rainfall – and led to loss of lives, destruction of houses, and damage to crops and livestock. Climate risks also adversely impact businesses, with extreme weather impacts causing supply chain disruptions.

The critical need to augment natural and social capital is succinctly articulated in the famous native proverb – “we do not inherit the earth from our ancestors, we borrow it from our children”. And this is best reflected in Earth Overshoot Day, which marks

the date when humanity's demand for ecological resources and services in a given year exceeds what Earth can regenerate in that year. In 2023, Earth Overshoot Day will fall on August 2; which in 1970 was towards the end of December. One encouraging sign though is the slowing down in the last 5 years of the rate at which the Overshoot Day is moving up the calendar.

**The need of the hour is to craft new business models that innovatively integrate environmental stewardship and livelihood generation as core outcomes.**

The 10 biggest risks listed by the World Economic Forum were almost all linked to climate, either as a cause or as an impact. So now it is not just about preserving for our

generation, but also about the survival of generations already on Mother Earth, and those that are yet to enter.

### How then do we navigate the future?

The SDGs formulated in 2015 serve as a good reference. Whilst SDG 13 focuses on Taking Urgent Action to Combat Climate Change and its Impacts, in my view, many other SDGs should also be approached wearing the lens of climate. Most of the other SDGs, especially SDGs 1, 2 and 3 will bear the brunt of climate threats. On the other hand, SDGs 6,7, 11 and 12 will act as enablers if they factor in the implications of climate. In a way, the entire SDG framework has to be orchestrated in a manner that it leads to an urgent, integrated and concerted effort at scale to adapt and mitigate climate risks.

It is both a challenge and an opportunity for India. It is inspiring to note how India has emerged as a global leader in climate action. India is one of the few G20 countries that is on track to achieve the commitments



**L Prabhakar**  
EVP and Head -  
Social Investments,  
ITC Limited

made at the Paris climate conference. India Inc has a critical role in this journey.

The climate related challenges have today fast-tracked the need for India Inc to build back better and take urgent actions to bequeath future generations a better tomorrow. The need of the hour is to craft new business models that innovatively integrate environmental stewardship and livelihood generation as core outcomes.

This calls for a new paradigm of Responsible Competitiveness. Enterprises of tomorrow would need to scale up their efforts in both mitigation and adaptation for transitioning to a net zero economy as well as building competitive and inclusive value chains that can secure livelihoods for today and tomorrow. It would necessitate a renewed focus on rapid decarbonisation, use of renewable energy, adoption of climate-smart practices across the value chain including regenerative agriculture, enhancing biodiversity and ensuring water security, amongst others.

Responsible Competitiveness, as articulated above, is a strong ethos of ITC and is embedded in its strategies and actions. Building on its inspiring journey of two and a half decades, ITC has now embraced an even more bold and ambitious Sustainability 2.0 vision articulated by Chairman, Mr Sanjiv Puri, which is now anchored on the inclusive and innovative business models the company has implemented on a large scale over many years. The goals envisaged in Sustainability 2.0 vision will further strengthen ITC's multi-dimensional efforts to combat climate change, enable the transition to a net zero economy, promote climate smart agriculture, restore biodiversity through the adoption of nature-based solutions, create an effective circular economy for post-consumer packaging waste whilst also scaling up programmes that support sustainable livelihoods. ITC believes meaningful public-private-people partnerships and responsible competitiveness will act as core enablers of this new agenda. ITC's experience demonstrates that it is possible to craft business models and value chains that synergize the creation of economic, environmental, and social value.

Enterprises of tomorrow would need to scale up their efforts in both mitigation and adaptation for transitioning to a net zero economy as well as building competitive and inclusive value chains that can secure livelihoods for today and tomorrow.

There are surely other corporates also pursuing a similar approach towards climate change aligned to SDG 13 in particular, and they too serve as exemplars for India Inc. When I look at the approach of such exemplars, I observe some common characteristics that India Inc needs to pursue, and these include:

- **Purposefulness:** Climate-related interventions need to be purposeful to make a significant impact and should be driven by leadership with passion and determination. It is also critically important to keep in mind the need for a just transition, especially given the unique context of India.
- **Proactive:** The time has come to look at interventions across different time horizons. It is important to think and act across multiple time horizons simultaneously – short, medium, and long-term. To address the challenges of medium and long-term especially those related to climate mitigation, steps will have to be taken today itself, especially those that require significant development time like low carbon footprint technologies or developing newer climate-resilient seed varieties.
- **Participative:** It is critically important to involve all stakeholders, whether it is farmers for agriculture or the suppliers and vendors for manufacturing. The entire value chain needs to participate. Consumers and customers should also be encouraged to participate by supporting organizations that are pursuing the path of sustainability holistically. Likewise, investors need to participate by encouraging such organizations and appreciating their investments for the medium and longer-term good rather than viewing them only from the lens of the here and now. A participative approach, especially involving the value chain partners, both at the front end and at the back end, will ensure that the transition to a net zero economy is inclusive.
- **Partnerships:** Different types of partnerships would be needed whether for technology or knowledge or orchestrating the ecosystem with other organizations.

Equally important is to partner with the Government, both at the Centre and the States, to enable the formulation of policies that work in synergy with the larger purpose of meeting national commitments in a manner that also recognizes the unique Indian context. Partnerships can also help in amplifying climate adaptation through capacity and awareness creation at scale, an example being ITC's partnership with NITI Aayog for promoting climate smart agriculture. It is here that industry associations or entities like the CII-ITC Centre of Excellence for Sustainable Development (CII-CESD) can also play a critical role in bringing India Inc on a common platform.

- **Pace:** Agility is the key. We do not have the luxury of time. The pace of yesterday for the problems gone by will not suffice for the problems related to climate. This also means that we do not have the luxury of having the perfect solution. Innovation has to be encouraged with rapid movement across the stages of prototype, pilot, and then implementation at scale. A sequential approach may not work and there is a need for parallel processing; literally like changing the tyre of a moving vehicle, that too a vehicle moving at normal speed and not at slow speed.
- **Performance-Oriented:** Climate adaptation and mitigation interventions have to have clear and bold targets with aggressive timelines. They need to be anchored on a scientific basis and then pursued with accountability. Stakeholders will demand increasing transparency on the same, and hence it is equally important that the internal organization is also aligned to achieving the commitments.

As Robert Swan says, 'The greatest threat to our planet is the belief that someone else will save it'.

India Inc needs to take the lead.

*Views expressed are personal*

We stand on the precipice of a pivotal moment in history. The echoes of economic inflation, international conflicts, and an escalating climate crisis serve as undeniable reminders that our global system is gravely flawed. Our economic models are failing to serve humanity equitably, leaving countless lives on the margins of poverty and desperation.

In India, a country bristling with potential, over 16% of the population is still shackled by the chains of poverty. A staggering 220 million Indians go to bed hungry every night. The chasm of income inequality is getting wider with each passing year, with the richest 1% of the nation owning 40% of the country's wealth.

Concurrently, our relentless economic pursuits have pushed the planet to the brink of its limits. 2023 threatens to outdo its predecessors, claiming the unenviable title of the 'hottest year on record,' a grim prediction that has become a recurring annual forecast.

Yet, amidst this daunting panorama, glimmers of hope persist. We are witnessing a growing synergy between the government and India Inc., joining forces to usher in a future that is sustainable and inclusive. With the collective resolve of India Inc., we can transition to a low-carbon economy, effectively combatting climate change, resource depletion, and social inequalities. Given its enormous population and economic reach, India's actions could wield substantial influence on the global Sustainable Development Goals (SDGs).

Indian corporations are uniquely positioned to catalyse this transformation, leveraging their extensive reach and influence to embody the principles of sustainable development.

Let's delve into how the pursuit of a greener, more equitable world isn't just a distant dream but a tangible reality, awaiting our immediate action.

**Aligning with India's commitment to achieving net-zero emissions by 2070 is on every major corporation's agenda, and should be extended to their supply chain partners to minimise the overall emissions footprint.**

#### **Sustainable Energy**

To address the urgency surrounding energy consumption, India Inc must lead the renewable energy revolution. Global energy demand has been steadily increasing over the years. India is the world's third largest energy consuming economy with its energy use having doubled since 2000. India's electricity consumption is expected to grow by 41% by 2030 than the current demand. However, India will face a deficit of 12% in energy generation capacity leaving millions in darkness. A major chunk, close to 80% of the demand is still being met by fossil fuels. Companies with vast operations and the resulting emissions acknowledge their environmental footprint. Godrej, for instance,

generates 65% of its energy from renewable sources, showcasing its commitment to green energy.

For Mahindra & Mahindra (M&M), an industry leader with stakes across businesses, M&M's renewable electricity consumption stood at 12% in FY22, however, this is a 55% increase in the utilisation of total renewable electricity compared to FY21.

More companies are incorporating renewable energy into their mix, investing in research and development to reduce energy intensity, embracing innovative solutions for cleaner emissions and circularity.

Aligning with India's commitment to achieving net-zero emissions by 2070 is on every major corporation's agenda, and should be extended to their supply chain partners to minimise the overall emissions footprint.

#### **Social Empowerment**

Beyond environmental issues, sustainable development encompasses driving social progress. India Inc is facilitating transformational change by embedding social impact into their core business strategies. A fine example is Godrej Consumer Products Limited (Elimination of Mosquito Borne Endemic Diseases) EMBED programme. Since its inception, this initiative has helped reclassify Madhya Pradesh from a Category-3 state with 25 districts plagued by malaria in 2015 to a Category-1 state, among the top 10 with low malaria cases in 2021. Inspired by this



**Gayatri Divecha**

**Head -  
CSR & Sustainability,  
Godrej Industries Limited  
and Associate Companies**

success, the initiative has been expanded to Uttar Pradesh and Chhattisgarh.

ITC's initiative in sanitation and public health is another wonderful example of social stewardship. Aligned with the Swachh Bharat mission, the initiative is focussed on, among other things, helping poor families construct household toilets and community latrines. The programme has built 39,000 household toilets in 12 states so far. It has improved health indicators for 98% of the surveyed rural households and 89% of families noticed a visible reduction of diarrhoea cases in children.

#### **Product Stewardship and Sustainable Design**

India Inc is also envisioning the entire lifecycle of their products, from design and sourcing to manufacturing and disposal. Sustainability is slowly becoming a key driver of product design, rather than an afterthought.

Godrej Consumer Product Limited's Mr. Magic Handwash, is a great example of affordable and sustainable product design. It uses half the plastic packaging and a quarter of the fuel to be transported; it has made handwashing accessible and affordable for Indians. By prioritising sustainability without imposing a green premium, companies can make a substantial difference to the environment while meeting consumer needs.

Colgate launched their recent line of metal toothbrushes called Colgate KEEP to reduce single use plastic toothbrush waste. Consumers can use

and reuse these metal body toothbrushes that come with a replaceable toothbrush head. The toothbrush uses 80% less plastic than the regular toothbrush.

### The Ever-evolving Sustainability Landscape

In the realm of sustainability and Environmental, Social, and Governance (ESG) practices – innovation, adaptability, and commitment are paramount. Amidst the evolving green technologies and regulatory frameworks, India Inc should uphold robust governance, clear strategies, and well-defined goals as guiding lights.

A bottom-up approach that fosters sustainability champions across all levels of the organisation can sustain momentum towards sustainable development.

As we move forward, it is essential for India Inc to draft bolder, more ambitious sustainability goals that power sustainable development for all. Our initiatives and experiments thus far pave the way for future efforts, inspiring commitment to building a greener, more equitable world for future generations.

The time for action is now.

*Views expressed are personal*

## MY VIEW

# A Commitment For Change



**Seema Arora**

CEO, CII Foundation and  
Deputy Director General, CII

“ As an emerging economy, India is striving to ensure that growth is both sustainable and inclusive. As a significant driver of economic growth, Indian Industry will play a key role in leading the way in sustainable development and it is heartening to see that sustainability is now embedded into most corporate strategies. Being sustainable is the new normal for business. ”

13 CLIMATE ACTION



## Sustainable Development Goal 13

### Take Urgent Action to Combat Climate Change and Its Impacts

The global temperature has already risen 1.1°C above the pre-industrial level, with glaciers melting and the sea level rising. The impacts of climate change also include flooding and drought, displacing millions of people, sinking them into poverty and hunger, denying them access to basic services, such as health and education, expanding inequalities, stifling economic growth and even causing conflict. By 2030, an estimated 700 million people will be at risk of displacement by drought alone.

Taking urgent action to combat climate change and its devastating impacts is therefore an imperative to save lives and livelihoods.

To limit warming to 1.5° Celsius above pre-industrial levels, as set out in the Paris Agreement, global greenhouse gas emissions will need to peak before 2025. Then they must decline by 43 per cent by 2030 and to net zero by 2050. Countries are articulating climate action plans to cut emissions and adapt to climate impacts through nationally determined contributions. However, current national commitments are not sufficient to meet the 1.5°C target.

#### Goal 13 Targets

**13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries

**13.2** Integrate climate change measures into national policies, strategies, and planning

**13.3** Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning



**13.A** Implement the commitment undertaken by developed-country parties to the United Nations Framework Convention on Climate Change to a goal of mobilizing jointly \$100 billion annually by 2020 from all sources to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation and fully operationalize the Green Climate Fund through its capitalization as soon as possible

**13.B** Promote mechanisms for raising capacity for effective climate change-related planning and

management in the least developed countries and small island developing States, including focusing on women, youth and local and marginalized communities

\*Acknowledging that the United Nations Framework Convention on Climate Change is the primary international, intergovernmental forum for negotiating the global response to climate change.

**Source:** <https://www.un.org/sustainabledevelopment/climate-change/>  
<https://sdgs.un.org/goals/goal13>

# Promoting Sustainable and Environment-Friendly Agricultural Practices

## Voices from the Ground

The CII Foundation has been working towards promoting sustainable agricultural practices with a focus on mitigating stubble burning, a leading cause of air pollution and soil degradation as a multi-stakeholder project with the support of government, industry, agricultural universities and farmers.



“As the Sarpanch of Khanal Kalan, I have witnessed first hand the positive impact that this initiative has had on our village. The agricultural machines provided have helped us to improve our farming practices, and the awareness camps and farmer meetings have helped us to become more conscious of our environment and take steps to preserve it. The reduction in air pollution and improvement in air quality has had a significant impact on the health and well-being of our community members. Respiratory illnesses have decreased, and people are more aware of the importance of sustainable agricultural practices.”

**Gursharan Kaur Majel**  
Sarpanch, Khanal Kalan, Sangrur, Punjab



“In previous years, managing paddy residue was a challenge for farmers due to various reasons such as time shortages before we sow the next crop and unavailability of machinery. Therefore, burning the paddy residue in fields became the only viable solution. The project provided us with essential training and machinery such as Super Seeders, Mulchers, and Rotavators, which helped us in managing paddy waste at a low cost. These machines made it easier for us to sow wheat in a single operation.”

**Aman**  
Farmer, Bharoliyawali, Rania, Haryana

To know more about CII Foundation's initiatives towards sustainable development, write to Priya Shirali, Head - Communication at [Priya.Shirali@cii.in](mailto:Priya.Shirali@cii.in)

Copyright © (2023) Confederation of Indian Industry (CII). All rights reserved.

No part of this publication may be reproduced, stored in, or introduced into a retrieval system, or transmitted in any form or by any means (electronic, mechanical, photocopying, recording or otherwise), in part or full in any manner whatsoever, or translated into any language, without the prior written permission of the copyright owner. CII has made every effort to ensure the accuracy of the information and material presented in this document. Nonetheless, all information, estimates and opinions contained in this publication are subject to change without notice, and do not constitute professional advice in any manner. Neither CII nor any of its office bearers or analysts or employees accept or assume any responsibility or liability in respect of the information provided herein. However, any discrepancy, error, etc. found in this publication may please be brought to the notice of CII for appropriate correction.

Published by The CII Foundation