Institute of Management Technology
Ghaziabad, Delhi NCR

AACSB ACCREDITED

UN GLOBAL COMPACT Network India

BUILDING INDIA'S NET ZERO CAPABILITY: INDUSTRY READINESS AND SKILLS

A collaborative study by IMT Ghaziabad and UNGC Network India

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ABOUT IMT GHAZIABAD

Founded in 1980, the Institute of Management Technology, Ghaziabad **(IMT-G)** is an **AACSB-accredited** institution focused on management education, applied research, and leadership development. An autonomous, not-for-profit institution under the Lajpat Rai Educational Society, IMT-G has built a strong presence in India's management education landscape. Its **five AICTE-approved postgraduate programmes**—PGDM, PGDM-BFS, PGDM-DCP, PGDM-ExP, and FPM—are industry-engaged and attuned to evolving managerial and governance challenges. An active alumni network across sectors supports the Institute's emphasis on managerial capability, informed decision-making, and research aligned with long-term development priorities.

ABOUT UNGCNI

United Nations Global Compact Network India (UNGCNI) is the Indian Country Network of the UN Global Compact, established in 2000 and registered as a non-profit society in 2003—the world's first Country Network with full legal recognition. As India's largest ESG and corporate sustainability platform, UNGCNI brings together over 500 organisations across business, government, and civil society to advance environmental stewardship, social responsibility, ethical governance, and anti-corruption, aligned with the UN Global Compact's Ten Principles and the Sustainable Development Goals, and to support capability building and responsible business leadership across sectors.

CENTRE FOR SUSTAINABILITY, IMT GHAZIABAD

The **Centre for Sustainability at IMT Ghaziabad** serves as a strategic platform for strengthening institutional and organisational capacity on sustainability across education, research, and external engagement. Drawing on the **Sustainability and Social Responsibility (SSR)** initiative—which enables experiential learning for PGDM & FPM students and sensitises them to societal needs beyond profit—the Centre will extend course-level engagement into a sustained institutional effort.

Through collaboration with organisations across sectors, the Centre will examine how sustainability is embedded within strategy, governance, operations, and risk management. Insights generated from industry partnerships, live projects, and initiatives such as the **IMT–UNGCNI surveys** will be interpreted and converted into practice-oriented learning.

These insights will guide executive education, curriculum design, and experiential student involvement, with a focus on workforce requirements, skill development and leadership readiness. Over time, the Centre will consolidate this learning into reports and structured dialogue with industry bodies, policymakers, and multilateral institutions, supporting durable institutional and societal impact.

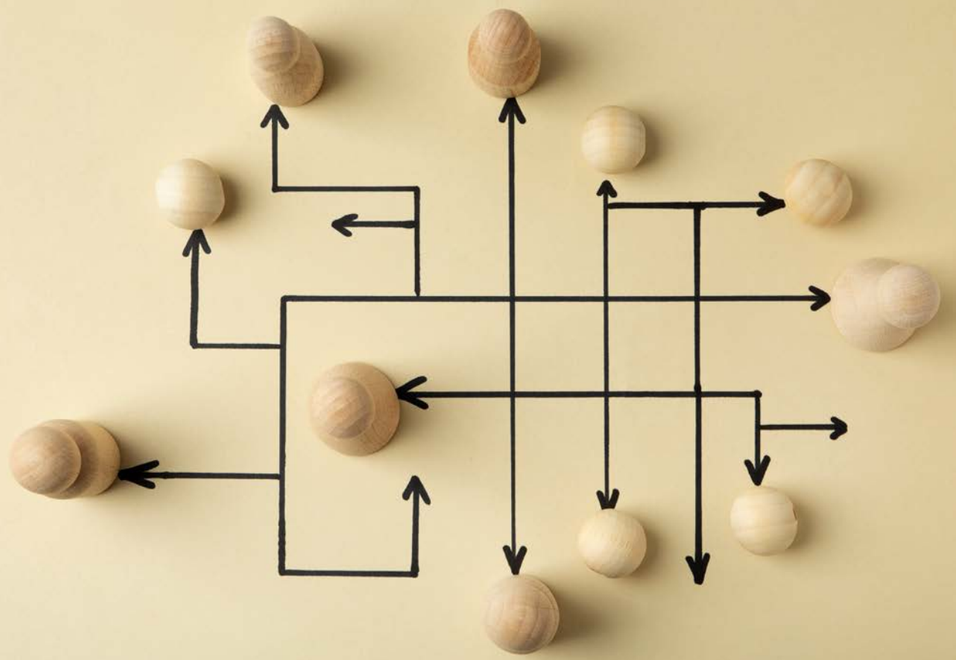
ACKNOWLEDGEMENT

The IMT–UNGCNI Report is the outcome of collective vision, commitment, and sustained collaboration. We express our deep gratitude to the Director, IMT Ghaziabad, whose immense foresight and inspirational leadership were central to conceptualising and bringing this initiative to fruition. His encouragement to pursue institution-building efforts that connect academic inquiry with societal relevance has been a constant source of motivation.

We sincerely acknowledge the Dean (Academics) and the Dean (Research) for their continuous support, guidance, and encouragement throughout the development of this report. Their belief in the value of collaborative, practice-oriented research created the enabling environment necessary for this effort.

We are also grateful to the team at UN Global Compact Network India, particularly Dr. Somnath Singh, Arya Dev, and Arnab Kanti Chakraborty, for their constructive engagement, insights, and steadfast support. Their collaboration enriched the study and ensured that the report remains grounded in both industry realities and broader sustainability and development priorities. Special thanks are due to our noted alumnus and sustainability expert, Mr Abhishek Ranjan, who has been a constant source of strength throughout this initiative, from facilitating collaboration between IMT Ghaziabad and UNGCNI to his involvement in the initial questionnaire design and his personal efforts to secure responses to the survey.

Last but not least, this study would not have been possible without the time and effort the respondents invested in completing the questionnaire—our sincerest thanks to each one of them.



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FOREWORD FROM IMT GHAZIABAD

In conversations with senior executives—many of them alumni and friends of IMT Ghaziabad—I increasingly hear the same reflection: leadership today is less about choosing between good and bad options, and more about navigating competing goods amid uncertainty. Climate exposure, regulatory recalibration, digital disruption, and heightened scrutiny from investors and society now shape everyday decisions on capital allocation, risk appetite, supply networks, and organizational credibility.

For me, this shift has been both professional and personal. In classrooms and boardrooms alike, I have watched sustainability move from a specialized function to a central element of leadership judgment. It shapes how resilience is built, how trade-offs are weighed, and how long-term competitiveness is secured. The question before us is no longer whether sustainability matters, but how thoughtfully we integrate it into strategy, governance, and execution without losing clarity of purpose.

At IMT, our response has evolved over time. During my previous tenure as Director in 2016, we launched the Sustainability and Social Responsibility (SSR) initiative to embed values of contribution, environmental awareness, and community engagement into management education. What began as a curricular effort has grown into a broader institutional commitment—visible in sustainability themes across PGDM and executive programs, faculty research on responsible business, campus initiatives in energy and waste management, and student-led social projects.

Executive education has a special role in this journey. At later stages of a career, learning is less about tools and more about judgment. Education must create space to question assumptions, interpret interconnected risks, and learn from peers' experience.

In my own journey as a teacher, mentors reminded me that management is about people, purpose, and values. That belief has long shaped IMT—from its founding in 1980 to its global accreditations and expanding campuses. As we embed sustainability more deeply, we continue this legacy: shaping leaders who combine competence with conscience, ambition with humility, and success with stewardship.

Dr. Atish Chattopadhyay
Director
IMT Ghaziabad

FOREWORD FROM UNGCNI

Corporate sustainability begins with a robust value system and an adherence to core principles that prioritize human rights, labor standards, environmental stewardship, and anti-corruption. This ethical, values-driven framework is the heartbeat of corporate governance today and the essential foundation for the Environmental, Social, and Governance (ESG) standards used worldwide.

It is with this context of urgent, principled action that I am incredibly proud to endorse our strategic partnership with IMT Ghaziabad and the launch of the collaborative study on: *'Building India's Net Zero Capability: Industry Readiness and Skills'.* This collaboration is not merely an academic exercise; it is a critical diagnostic intervention. Just as business strategy relies on accurate market data, sustainable transformation requires a precise understanding of the *'implementation gap'* - the space between intent and action.

At the UN Global Compact Network India (UNGCNI), we mirror this pursuit of deep, structural change. Our approach aligns perfectly with the survey's goal of uncovering reality, as we are dedicated to moving beyond aspirational guidance to actionable impact. Building a resilient, future-ready ecosystem requires more than just training and forums; it requires precise data and deep insight. This is why I am incredibly proud to endorse our strategic partnership with IMT Ghaziabad and the launch of the IMT Ghaziabad–UN GCNI ESG Survey, as we need the specific intelligence this research provides, to scale our efforts effectively.

In this study, by combining academic depth with industry-facing insight, we are building a pipeline of future-ready ESG professionals and ensuring our business schools reflect the sustainability competencies the market now demands. The insights from this survey will directly inform the design of training modules, capacity-building efforts, and curriculum enhancements. The ESG transition cannot be achieved in silos. It demands a powerful coalition where business schools, corporations, and networks like ours converge to drive the agenda from the front.

We hope this initiative sets the stage for continued collaboration. The challenges ahead are real, but so are the opportunities—for those willing to lead with purpose and principle. I invite you to engage deeply with these findings and work with us to make responsible business the default business.

Ratnesh Jha
Executive Director
UN Global Compact Network India (UNGCNI)

EXECUTIVE SUMMARY

India's journey toward sustainable growth has reached a stage where intent is getting transformed into execution. This IMTG–UNGCNI Survey provides timely insight into how the Indian industry is responding to this shift, examining the extent to which sustainability is being integrated into business strategy, operations, and governance. The evidence suggests a clear transition: sustainability is increasingly viewed not as a peripheral obligation, but as a factor shaping competitiveness, resilience, and long-term value creation.

The survey indicates that many firms have progressed beyond standalone initiatives toward more structured ESG practices, particularly on environmental dimensions such as energy use, emissions management, resource efficiency, and supply-chain oversight. A combination of regulatory alignment, investor expectations, customer scrutiny, and exposure to global markets is driving this movement. Organisations that have embedded sustainability into decision-making frameworks report stronger risk visibility, greater stakeholder confidence, and improved preparedness for regulatory and market shifts.

At the same time, the findings reveal persistent capability gaps. While leadership intent is often evident, execution remains uneven in addressing it. Sustainability responsibilities are frequently fragmented across functions, limiting their influence on strategy, capital allocation, and innovation. Data limitations, inconsistent metrics, and skill gaps further constrain progress. The survey makes clear that the next phase of advancement will depend more on institutional capability—robust systems, integrated governance, and managerial competence that can translate commitments into outcomes.

An important insight emerging from the survey is the growing linkage between sustainability and digital capability. Firms that deploy digital tools for monitoring, analytics, and reporting demonstrate greater control over environmental performance and supply-chain complexity. It reinforces the view that credible sustainability performance increasingly rests on data quality, process discipline, and informed decision-making rather than narrative signalling.

Overall, the IMTG–UNGCNI Survey offers a grounded assessment of where Indian industry stands today. It points to a narrowing window of opportunity for firms to move decisively from compliance-led responses toward performance-oriented sustainability. Organisations that invest early in environmental capability, digital infrastructure, and leadership alignment are likely to secure a competitive advantage while strengthening long-term resilience. The challenge ahead is no longer about recognising the importance of sustainability, but about executing it at scale.

01

CONTEMPORARY SUSTAINABILITY LANDSCAPE: GLOBAL AND INDIAN CONTEXT

INTRODUCTION

Businesses today are operating in an economy where the foundations of value creation are undergoing a systemic shift. Competitive advantage is no longer derived solely from price efficiency, technological capability, or production scale. Increasingly, firms are being evaluated on how responsibly they use resources, how equitably they treat stakeholders, and how effectively they prepare for long-term environmental and social risks. These developments have decisively shifted "Sustainability" from a moral aspiration to a material determinant of business performance. It influences capital flows, procurement criteria, workforce engagement, consumer behaviour, and future market access.

This transition shows up in results, not rhetoric. NielsenIQ's *Spend Z* report[1] notes that globally, 77% of this new generation of consumers avoid products associated with poor environmental standards. In India, this preference appears firmer, with PwCs[2] Voice of Consumer 2025 finding that 73% of consumers, compared with 44% worldwide, are willing to pay more for environmentally sustainable products, especially in food-related sectors. On the corporate side, the SAP Sustainability Study[3,4] finds that 86% of Indian businesses believe sustainability initiatives have a direct positive impact on profitability, demonstrating that sustainability now extends beyond ethical positioning to shape revenue logic.

Against this backdrop, sustainability is becoming a core business capability. Firms that embed sustainability into operations, product design, supply chains, and capital strategies are discovering opportunities in clean technologies, circular resource systems, and responsible finance. Those that hesitate, confront rising compliance requirements, declining investor confidence, and shrinking access to global value chains. As sustainability becomes integral to core operations, firms' capacity to embed it effectively will increasingly separate industry leaders from laggards in the evolving industrial landscape.

1.1 THE GLOBAL SUSTAINABILITY LANDSCAPE

Globally, sustainability is becoming a capability imperative, driven by three forces: regulation that actively steers markets, capital that favours climate-aligned execution, and corporate strategies increasingly built around sustainability-led value creation. Together, these forces are reshaping firm-level outcomes—altering productivity trajectories, strengthening organisational resilience, lowering the cost of capital, and redefining the sources of competitive advantage.

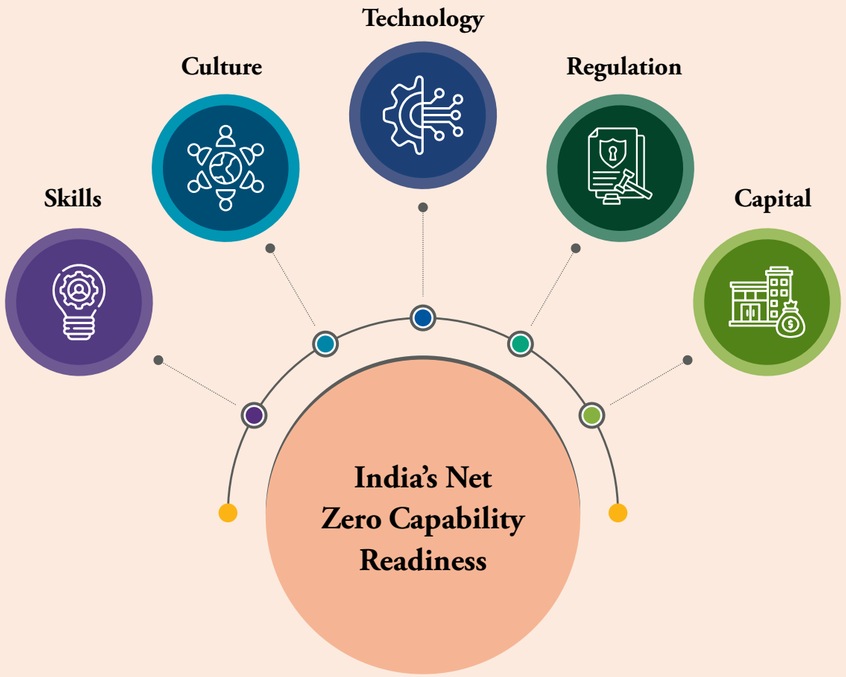


Chart 1.1 : What drives Net Zero readiness?

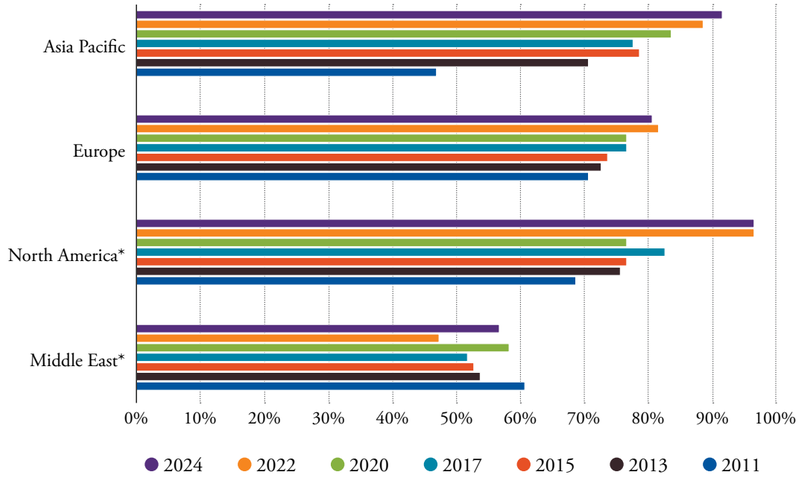
1.1.1 Regulation becoming directional rather than reactive

The Corporate Sustainability Reporting Directive of the European Union now mandates disclosure of climate risks and supply chain emissions with the same precision as for financial reporting. The Carbon Border Adjustment Mechanism is reshaping global trade flows by requiring importers of carbon-intensive goods to align with European emission norms. Across Asia, similar regulatory assertiveness is visible. China's ESG disclosure rules are accelerating investments in renewable energy and electric mobility. Singapore's carbon tax is guiding industries toward cleaner production systems. These policies signal that sustainability is no longer a voluntary narrative but a regulatory condition for market legitimacy. This shift is reflected in global reporting behaviour. Figure 1.1 shows that sustainability reporting rates have crossed 90% in the Asia–Pacific region and remain above 80% in Europe and North America, making transparency in environmental and social performance a de facto entry requirement for participation in global markets. Sustainability policies now have a significant influence on who can be a part of international value chains, on what terms, and at what cost. In effect, regulation has become directional, moving beyond post-hoc penalties to actively steering markets and investments toward 'defined low-carbon growth paths'.

Transparency in environmental and social performance a de facto entry requirement for participation in global markets.

Regulation has become directional, moving beyond post-hoc penalties to actively steering markets and investments toward 'defined low-carbon growth paths'.

Figure 1.1: Sustainability reporting rates of firms worldwide from 2011 to 2024, by region

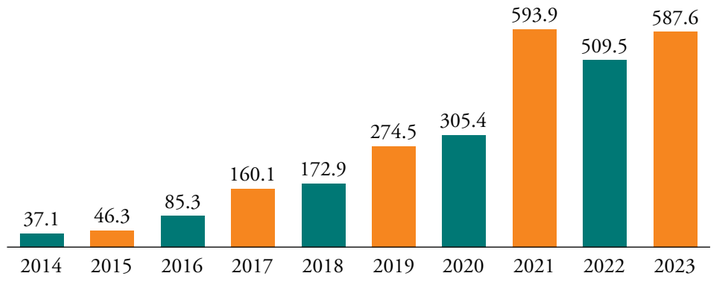


Source: KPMG International; data extracted and compiled from Statista, 2025

1.1.2 Capital flow towards climate-aligned investments

The second influencer is the capital that flows toward climate-aligned behaviour. Institutional investors, pension funds, and sovereign wealth funds are screening companies based on their ability to manage climate risks and social impact. The global ESG investment universe has crossed USD 30 trillion, according to Global Sustainable Investment Review 2022 (GSIR 2022)[5]. Green bonds have transitioned from alternative assets to mainstream financial instruments. This shift is evident in the exponential rise in green bond issuance, which grew from USD 37.1 billion in 2014 to nearly USD 587.6 billion in 2023 (Figure 1.2).

Figure 1.2: Value of Green Bonds issued worldwide (in billion US dollar)



Source: Climate Bonds Initiatives; data extracted and compiled from Statista, 2025

Environmental and social performance has become a financial variable rather than a reputational one, transforming sustainability from a disclosure activity into a determinant of fiscal legitimacy.

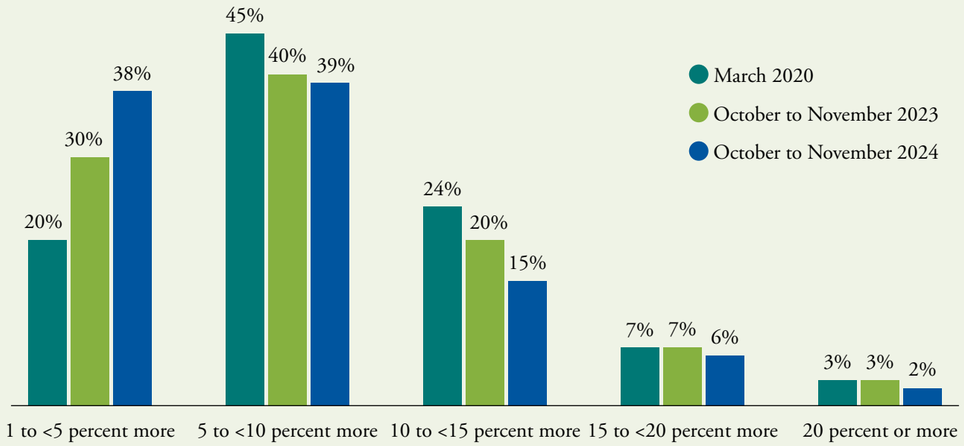
Such rapid expansion in climate-linked financing demonstrates how capital markets anticipate long-term risks and reward climate-aligned corporate behaviour. The cost of borrowing and access to global supply chains are increasingly linked to a business's credibility in its sustainability strategy. Environmental and social performance has become a financial variable rather than a reputational one, transforming sustainability from a disclosure activity into a determinant of enterprise value.

1.1.3 The transformation of corporate strategy

Apple has redesigned procurement to rely more on recycled materials, reducing dependence on virgin mining[6]. Nestlé is reconfiguring its agricultural network to lower emissions and enhance farmer resilience[7]. DHL is shifting toward electric logistics fleets in response to carbon-conscious clients[8]. These examples show that sustainability is shaping business models, operational priorities, and innovation space.

This is not merely a corporate trend; it is consumer-validated. The share of consumers willing to pay a premium of upto 5% for sustainable products has increased consistently over the last four years (Figure 1.3). Around 40% of respondents were willing to pay 5 to 10% more, while a sizeable group of respondents did not mind paying even 15% or more.

Figure 1.3: Average premium consumers paid more for a sustainable product worldwide, by range



Source: Capgemini; data extracted and compiled from Statista, 2025

The behaviour is not restricted to any particular region of the world. More than 60% of consumers in the Middle East and Africa purchased a sustainable product in a month in 2024, 53% in the Asia-Pacific, and 46% in Europe (Figure 1.4).

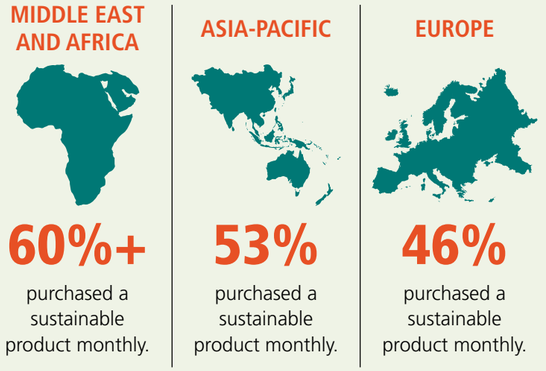
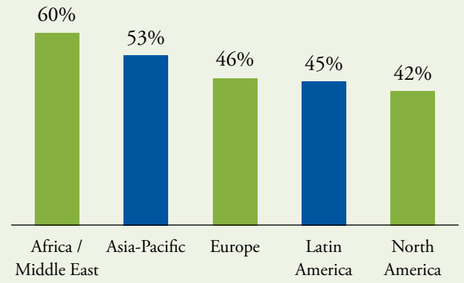


Figure 1.4: Regionwise purchase of sustainable products in a month in 2024



Source: GlobeScan; data extracted and compiled from Statista, 2025

1.2 SUSTAINABILITY IN THE INDIAN CONTEXT

India's sustainability agenda is taking shape at a crossroad of economic expansion and environmental constraints. The country must generate employment, develop industrial capacity, and expand infrastructure while simultaneously managing resource pressures and climate risks. This dual imperative gives Indian perspectives on sustainability a distinct profile: one that is driven as much by developmental needs as by the responsibilities in the ESG context. The challenges for India are not like those of the advanced economies, which confronted sustainability targets after attaining industrial maturity.

As reported in the Environmental Account 2024 by the Ministry of Statistics and Programme Implementation, Government of India[9], the total supply of energy has risen from 84,056 petajoules in 2015–16 to 102,372 petajoules in 2022–23. The pattern of energy consumption, presented in Table 1.1 below, reveals the depth of energy dependence of the economic growth process. Interestingly, the conventional sources of energy, 'electricity, gas, steam, and air-conditioning supply' itself account for 28% of total energy use.

India's sustainability agenda is taking shape at a crossroad of economic expansion and environmental constraints.

Table 1.1: Sectorwise share of energy use

Sector / User Category	Share of Total Energy Use
Manufacturing	28%
Electricity, Gas, Steam & Air-conditioning Supply	28%
Other Industries	31%
Households	5%
Transportation & Storage	5%
Agriculture, Forestry & Fishery	2%
Mining & Quarrying	1%
Construction	0.4%

Source: Environmental Account 2024 by Ministry of Statistics and Programme Implementation[9]

This distribution reflects the broader reality that economic expansion is energy-intensive, and that changes in production systems are typically intertwined with the energy base on which growth is built.

Importantly, India now ranks fourth globally in installed renewable energy capacity, fourth in wind power capacity, and fifth in solar power capacity. This signals India emerging as a leader in clean energy deployment.

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1.2.1 Regulatory Architecture: Mandatory Compliance is the New Base

India has introduced statutory mechanisms that integrate social and environmental considerations into corporate governance. The Companies Act, 2013[10] requires eligible firms to allocate a specified share of profits toward defined social responsibility activities and to report these expenditures in annual filings. This provision formalised board-level oversight of social responsibility alongside financial reporting requirements.

This framework has been complemented by disclosure-based regulation. The Business Responsibility and Sustainability Reporting framework introduced by the Securities and Exchange Board of India requires top 1000 listed companies based on market capitalisation to report on governance processes, ethical conduct, resource use, workforce practices, and environmental indicators. Firms are required to disclose standardised metrics and provide year-on-year data to enable comparability.

These regulatory requirements apply across sectors, including:

- Energy-intensive industries such as steel, cement, power, and mining, which are subject to emissions and resource-use disclosures
- Consumer-oriented sectors such as FMCG and retail, where reporting covers sourcing practices and material use
- Financial institutions, which are required to incorporate environmental, social, and governance indicators into risk assessment and disclosure processes

Within this regulatory setting, sustainability-related reporting and compliance requirements form part of routine corporate governance, disclosure, and financing processes.

1.2.2 Market and Capital Pressures: Sustainability intertwined with Growth

Market dynamics now reward firms that align early with sustainability norms. Indian exporters to the European Union face traceability and emissions disclosure requirements under the Carbon Border Adjustment Mechanism (CBAM). This development is already restructuring supply chains in textiles, automotive components, chemicals, and processed foods in India.

Capital markets reinforce these expectations. Green finance in India is expanding, with EnviStats reporting significant growth in investments directed toward solar, wind, and bioenergy projects. India has already deployed more than 180 gigawatts of renewable energy capacity, ranking it among the world's top renewable markets. Firms failing to articulate sustainability transitions risk higher financing costs and reduced investor access, while those with credible sustainability strategies attract capital at favourable terms.

Interestingly, consumer preferences are also amplifying this pressure. According to the Rakuten Insights survey – December 2023, 74% of consumers expressed a willingness to pay a premium for sustainable or environmentally friendly products[11]. Further, 56% of Indian shoppers reported having preferred sustainable products and practices over others[11]. This shows that sustainability compliance can be a pricing and loyalty lever for firms operating in consumer-facing industries, as well as a monetisable expectation. Purchasing decisions are increasingly reflecting ecological preferences rather than just functional or cost-based considerations.

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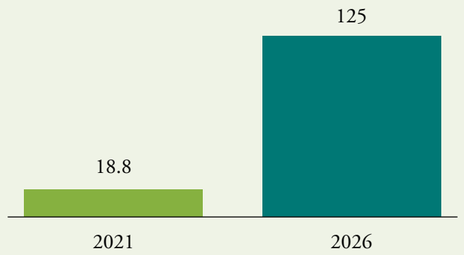
1.2.3 Some of the salient features in Indian context of sustainable practices

a) Investor Interest and Cost of Capital: Banks, venture funds, and institutional investors are integrating ESG ratings into risk assessments. Companies with transparent sustainability plans receive better financing terms and access to green instruments, such as sustainability-linked loans and renewable energy financing. The value of sustainable investments under management in India is expected to increase from 18.8 billion US dollars in 2021 to 125 billion US dollars in 2026 (Figure 1.5).

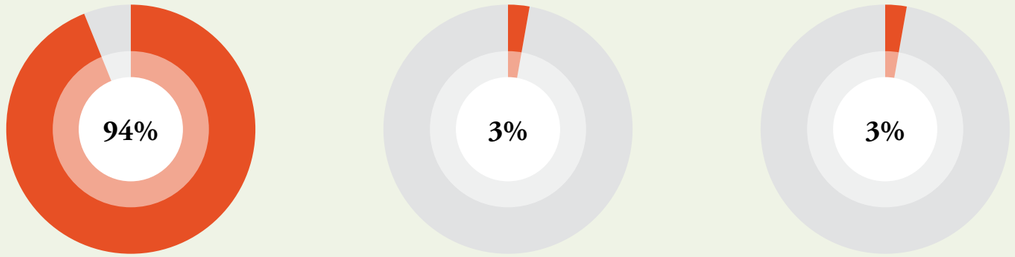
Figure 1.5: Estimate value of sustainable investment by asset under management in India for 2021 & 2026 (in billon US dollars)



Source: Benori Knowledge; data extracted and compiled from Statista, 2025

Sustainability is steadily becoming embedded in credit allocation practices in the Indian financial sector. As shown in Figure 1.6, 94% of banks in India have already begun offering loans for green products. Only a tiny fraction has not started or has no intention of doing so.

Figure 1.6: Share of banks offering loans for green products in India in 2022



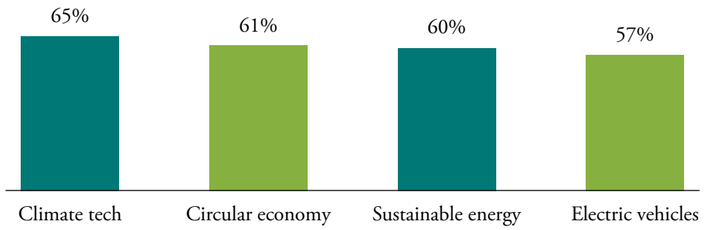
Source: Reserve Bank of India; data extracted and compiled from Statista, 2025

Climate-linked sectors are attracting substantial investor attention. 65% of investors prefer climate technology (Figure 1.7). 61% prefer circular economy initiatives. 60% express interest in sustainable energy. 57% prioritise electric vehicles. These investment choices demonstrate that financial markets now reward sectors aligned with climate action, ecological transition, and low-emission industrial pathways.

Together, these developments confirm that sustainability influences access to capital and future business viability. Firms that align organisational strategies, reporting standards, and operational models with ESG expectations are gaining privileged access to capital, favourable lending conditions, and long-term investor confidence. Firms that ignore these shifts risk higher capital costs, limited access to financing, and reduced competitiveness in a market where environmental responsibility is emerging as a necessary foundation for growth rather than an external constraint.

Environmental responsibility is emerging as a necessary foundation for growth rather than an external constraint.

Figure 1.7: Investor preference for climate action sectors of investment in India in 2022



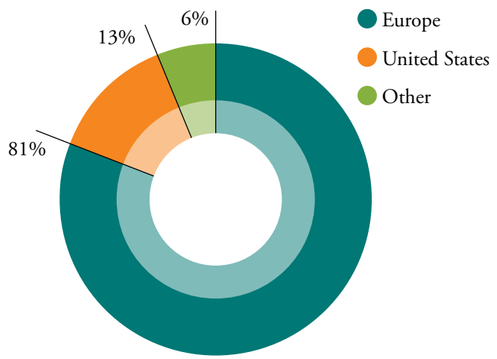
Source: Climake, Unitus Capital; data extracted and compiled from Statista, 2025

b) Procurement and Market Access: Large enterprises have established sustainability-linked procurement criteria that vendors must meet. According to the World Economic Forum's Decarbonising Supply Chains playbook, firms that are unable to quantify emissions, labour standards, or compliance metrics risk being excluded from valuable supply networks. This shift aligns with the global direction of ESG capital flows. Europe accounts for 81% of the world's ESG fund assets, while the United States holds 13% and the remaining regions together hold only 6% (Figure 1.8).

The dominance of Europe in ESG finance means that global value chains anchored in European markets expect suppliers to meet measurable sustainability requirements. Indian firms that wish to participate in these supply chains must therefore demonstrate credible ESG performance.

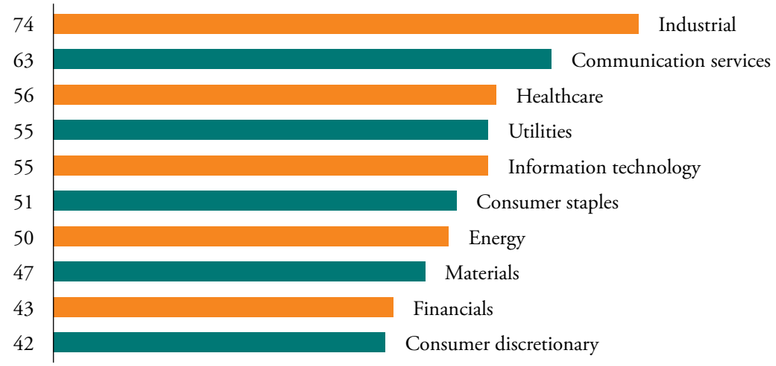
Evidence from the Indian market shows that this expectation is already shaping sectoral behaviour.

Figure 1.8: Distribution of ESG fund assets worldwide as of December 2021, by region



Source: Morningstar; data extracted and compiled from Statista, 2025

Figure 1.9: Distribution of ESG composite score of NIFTY 50 in India as of financial year 2021, by sector



Source: Dolat Capital, United Nations, Decimal Point Analytics; data extracted and compiled from Statista, 2025

The ESG composite scores[A] of NIFTY 50 firms reveal that industrial companies perform best, with a score of 74, followed by communication services with 63, and healthcare with 56. Utilities and information technology both record scores of 55 and so on (Figure 1.9). These scores indicate that Indian firms are responding unevenly to ESG expectations across sectors. The presence of procurement criteria tied to ESG capabilities now pressures firms to improve compliance systems, reporting practices, and operational transparency if they want to remain eligible for domestic and global market access.

c) Brand and Consumer Preferences: Indian consumers, particularly urban millennials, are rewarding companies with responsible product claims, ethical sourcing, and circular business models. The preferences reflected in a recent McKinsey & Co. study confirm this shift. 61% of consumers place primary importance on health considerations[12] (Figure 1.10), while 41% are willing to pay an additional premium for products that meet sustainability expectations. 35% actively choose sustainable, environmentally friendly brands, and 26% prefer brands that communicate a clear purpose beyond commercial gain.

Figure 1.10: Consumer views on health and sustainability in India as of August 2022, by level of usage

Source: McKinsey & Company; data extracted and compiled from Statista, 2025

ESG is becoming a performance metric rather than a disclosure ritual.

Firms operating in apparel, consumer goods, and electric mobility are discovering that sustainability creates pricing power and enhances customer loyalty in ways that traditional marketing cannot replicate. As a result, ESG is becoming a performance metric rather than a disclosure ritual.

[A] *A diagnostic tool for India's sustainability transition at the firm level implying - High ESG score signifying strong governance discipline, proactive climate and social risk management, lower probability of ESG-related shocks and vice versa.*

1.2.4 Sustainability as Business Model

New business models, technologies, and sectoral opportunities in India are not merely responding to global sustainability shifts; they are attempting to shape the next wave of industrial growth.

Key transformations include:

- **Renewable energy leadership**, in terms of installed capacity and lowest global tariffs, is creating competitive incentives for manufacturing, logistics hubs, and industrial clusters to embed this source of energy in their business strategies.
- **Circular economy initiatives** that turn waste into usable materials, creating alternative revenue streams.
- **Digital sustainability**, where data analytics, blockchain traceability, and ESG dashboards are enabling real-time reporting and automated governance.

These choices also affect corporate balance sheets. Firms in cement are piloting low-carbon substitutes, automobile manufacturers are redesigning vehicles for zero-emission fleets, and IT companies are creating ESG analytical platforms as new service lines. Integrating sustainable business practices is now being designed as innovative business models.

1.2.5 A System Redesign in Motion

The Indian sustainability landscape is transitioning from policy-driven responsibility to market-validated competitiveness, company-level adoption to ecosystem-wide expectations, and cost concerns to innovation and revenue opportunities.

The path ahead is uneven. Large firms are embedding sustainability into board agenda and capital allocation decisions. MSMEs, however, face capability gaps, unfamiliarity with compliance, and fragmented supply chains. This asymmetry is India's biggest challenge, not policy design.

Yet the direction of travel is clear. Sustainability is shaping the economic logic of Indian firms. Growth in India will no longer be judged by output alone but by carbon efficiency, workforce diversity, circularity, and global supply-chain resilience. Firms that embed sustainability into their strategy will compete not just in India but worldwide.

The Indian sustainability landscape is transitioning from policy-driven responsibility to market-validated competitiveness, company-level adoption to ecosystem-wide expectations, and cost concerns to innovation and revenue opportunities.

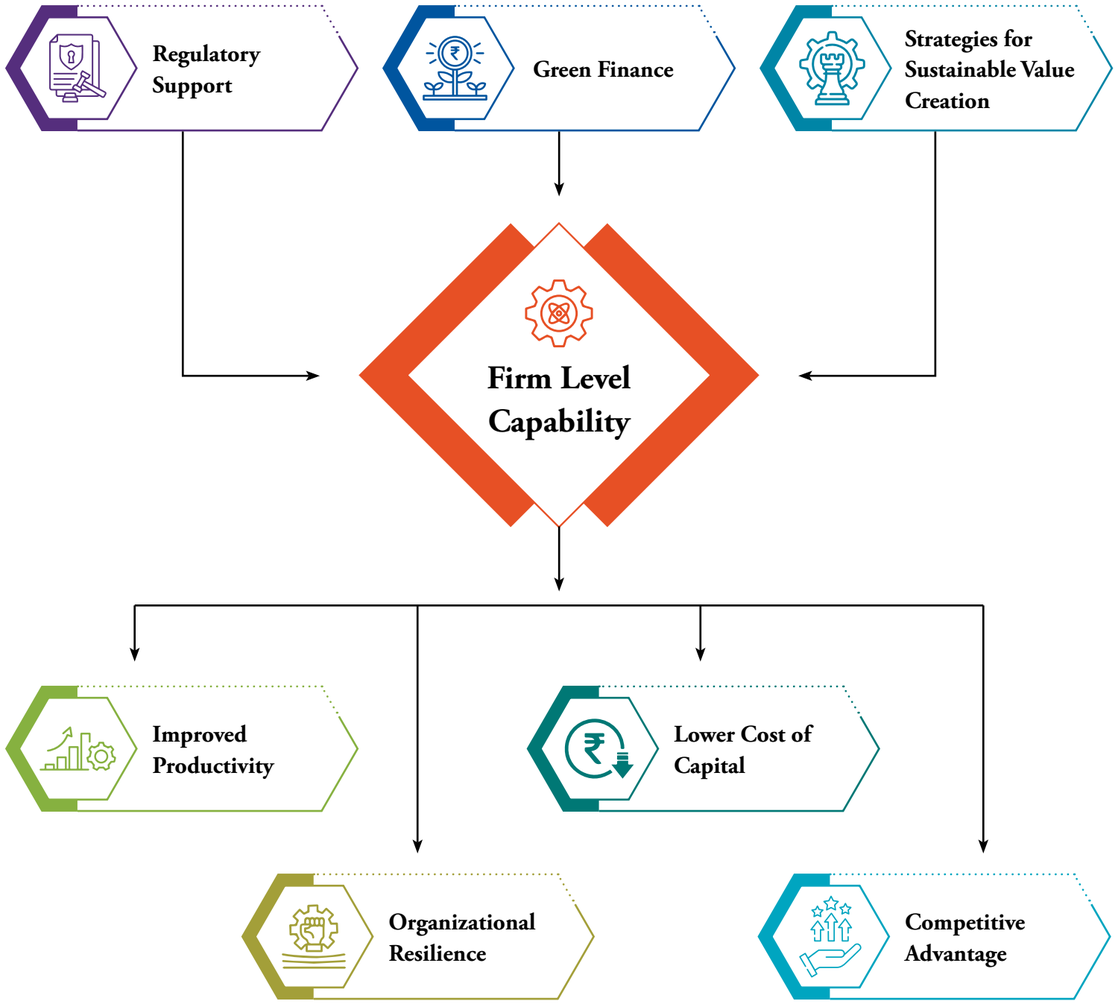


Chart 1.2: Competitive Advantage

02

ESG: GLOBAL MILESTONES AND INDIA'S BRSR CORE TRANSITION

2.1 INTRODUCTION: FROM NARRATIVE ESG TO ASSURED ESG

The year 2026 marks a decisive inflection point in India's ESG efforts. Under SEBI's Business Responsibility and Sustainability Report – Core (BRSR Core), the top 1,000 listed entities must obtain reasonable assurance on a set of standardised sustainability key performance indicators by FY 2026–27, based on disclosures starting FY 2023–24[13]. This requirement pushes ESG reporting out of the realm of glossy narrative communication into the discipline of assurance-ready and decision-useful information. The BRSR Core[14] spans nine critical attributes—three **E**nvironmental (greenhouse gas emissions including Scope 1–3, energy intensity and mix, water and waste), four **S**ocial (workforce stability, health and safety, diversity-equity-inclusion, training and skilling), and two **G**overnance (business ethics and board oversight)—thus operationalising "E, S and G" into auditable metrics rather than aspirational slogans.

Reasonable assurance, typically under ISAE 3000 for non-financial information and ISAE/SSAE 3410 for greenhouse gas statements, demands traceable source data, documented methodologies consistent with frameworks such as the GHG Protocol, tested internal controls, and demonstrable board-level accountability. What was earlier a CSR narrative or an investor slide deck is now subject to sampling, walkthroughs, and qualifications similar to

financial audits. Together with value chain reporting for the top 250 entities from FY 2025–26, which introduces the expectation that companies understand, monitor, and validate supplier ESG data, India has effectively signalled that ESG is no longer peripheral—it is entering the core of corporate reporting architecture.

This Kuhnian[15] paradigmatic shift does not occur in a vacuum. It is the latest chapter in a much longer story—one whose roots lie in ancient ethical traditions, mid-20th century social movements, environmental disasters, shareholder campaigns, and the gradual construction of a global infrastructure of standards and regulations. Situating the BRSR Core within this wider history allows Indian companies and policymakers to see ESG not as a passing fad but as the maturing of how markets evaluate corporate responsibility and risk.

2.2 1960s–1970s: ACTIVISM AND THE BIRTH OF SOCIALLY RESPONSIBLE INVESTING (SRI)

In the twentieth century, the financial implications of ESG principles for large companies can be seen in the protest movements of the 1960s and 1970s. Civil rights struggles, environmental awareness catalysed by Rachel Carson's Silent Spring, and mass opposition to the Vietnam War converged to challenge capital allocation. Rachel Carson's *Silent Spring*[16] exposed pesticide harms to wildlife, birds, and humans—predicting a silent spring without birdsong—sparking a shift to active environmentalism that prompted the 1972 US DDT ban and the creation of the Environmental Protection Agency (EPA). Her caution against universal chemical excess echoes Kant's universal law imperative, as biosphere destruction contradicts moral order, while framing nature as vital to humanity's ends (not profit-making). It calls for intergenerational equity and emissions limits to prevent collapse. Anti-war activists targeted companies supplying napalm, Agent Orange, and weapons systems, pressuring universities, churches, and pension funds to divest from these "war-profiteering" firms.

2.3 1980s: DISASTERS, ANTI-APARTHEID, AND THE LANGUAGE OF SUSTAINABLE DEVELOPMENT

The 1980s were an era of both tragedy and conceptual consolidation. On the social front, global anti-apartheid movements intensified. Universities, public pension funds, and religious organisations divested from companies doing business in apartheid South Africa, often using the Sullivan Principles[B] (initially crafted in 1977 and updated in 1984) as a benchmark for corporate behaviour, requiring non-segregated workplaces, fair pay, and support for dismantling discriminatory laws. This shows that investors can use their leverage not only to avoid complicity but also to demand proactive social reform.

Three emblematic disasters—Bhopal (1984)[17], Chernobyl (1986)[18], and the Exxon Valdez oil spill (1989)[19]—illustrated the catastrophic consequences of weak governance and inadequate risk controls. The Bhopal gas leak in India, which killed thousands and injured hundreds of thousands, exposed deficiencies in safety systems, oversight, and corporate accountability when multinationals operate in lower-income jurisdictions. Chernobyl revealed systemic failures in nuclear management and transparency, and the Exxon Valdez disaster dramatised the fragile nature of marine ecosystems and the enormous costs of cleanup and reputational damage.

[B] The "Sullivan Principles" were officially announced on 1 March 1977. Meetings to cultivate support among corporations were held on 17 March, 16 May, and 21 July 1977

These events shifted corporate responsibility from philanthropy to risk management. Companies and regulators have increasingly recognised that environmental negligence and social disregard can destroy shareholder value and public trust. UN-mandated Brundtland Commission (1983–1987) released its report titled "Our Common Future[20]", which defined sustainable development as "meeting the needs of the present without compromising the ability of future generations to meet their own needs." It provided a unique perspective in which environmental protection, poverty eradication, and economic growth were seen as interlinked, and it became a precursor to the ESG principles.

For investors, this decade signalled that non-financial risks could be both systemic and material[21] They recognised that non-financial risks—such as those from anti-apartheid divestment campaigns, Bhopal/Chernobyl disasters, and Sullivan Principles compliance—could prove both systemic, i.e., market-wide contagion and material with direct financial impacts like reputational damage and regulatory costs.

2.4 1990s: FROM NICHE SRI TO GLOBAL FRAMEWORKS

During the 1990s, ESG ideas moved from the margins to the mainstream through three channels: global policy frameworks, voluntary disclosure standards, and corporate controversies. The 1992 Rio Earth Summit established foundational principles for sustainable development and launched the UNFCCC and CBD, embedding climate and biodiversity into global governance. At the same time, UNEP's Financial Institutions Initiative pushed banks and insurers to integrate environmental risk into financial decision-making.

In parallel, corporate sustainability reporting expanded under NGO and public pressure. The Global Reporting Initiative (GRI) emerged as the first widely adopted framework for standardised sustainability disclosure, evolving from an initial focus on environmental metrics to encompass labour, human rights, and governance indicators, to promote responsible corporate behaviour.

Investment practice evolved in parallel. The Domini 400 Social Index (1990) provided an early benchmark for socially and environmentally screened companies, while the rapid growth of socially responsible investment through the 1990s signalled that ESG considerations were moving into the financial mainstream. Networks such as Ceres amplified this shift by mobilising institutional investors to integrate ESG risks through engagement, voting, divestment pressure, and demands for standardised disclosures.

High-profile crises—Shell's Brent Spar controversy, Nike's sweatshop scandals, and Texaco's racial discrimination case—demonstrated that environmental and social failures could generate severe reputational, regulatory, and financial costs. Alongside disasters such as Bhopal, Chernobyl, and Exxon Valdez, these events showed that non-financial issues can produce material financial impacts. ESG concerns thus shifted from ethical aspirations to fiduciary imperatives, laying the foundation for ESG's consolidation in the 2000s.

2.5 2000s: NAMING AND INSTITUTIONALISING ESG

The early 2000s transformed ESG from a loose collection of practices into a recognised field. In 2000, the Millennium Development Goals (MDGs) set global targets for poverty, health, education, gender equality, and the environment, framing development as a shared responsibility. The same year, the Carbon Disclosure Project (CDP) was launched to standardise corporate climate disclosure, laying the early foundations for environmental data in investment analysis.

In 2004, the UN Global Compact's Who Cares Wins report formally introduced the term "ESG," arguing that strong environmental, social, and governance performance enhances long-term shareholder value by improving risk management and returns. This reframed ESG from an ethical constraint into a source of financial value. The launch of the UN Principles for Responsible Investment (PRI) in 2005 further embedded ESG into capital markets by committing

asset owners and managers to integrate ESG factors into investment and ownership practices.

Parallel efforts strengthened disclosure standards. The Sustainability Accounting Standards Board (SASB) developed industry-specific, financially material ESG metrics, while the Climate Disclosure Standards Board (CDSB) aligned climate and environmental information with financial reporting, later feeding into the ISSB framework.

By the end of the 2000s, ESG had a common language, global investor commitments, and emerging reporting standards—marking a decisive shift from the ad hoc approaches of earlier decades, even as challenges remained around data integration, measurement, and incentives.

2.6 2010s: FROM VOLUNTARY TO STRATEGIC AND RISK-BASED ESG

The 2010s marked ESG's acceleration through the launch of the UN Sustainable Development Goals (SDGs), the Task Force on Climate-related Financial Disclosures (TCFD), and a series of climate and governance shocks. In 2015, the UN adopted the 2030 Agenda and its 17 SDGs, making sustainable development universal and explicitly calling for private-sector participation. Companies and investors rapidly aligned ESG strategies and reporting with the SDGs, using them to frame materiality, portfolios, and growth opportunities.

The same year, the G20-mandated Financial Stability Board established the TCFD, introducing scenario analysis to assess how climate risks affect strategy, capital allocation, and valuation. TCFD quickly became the global reference point for climate disclosure and was progressively embedded into regulatory frameworks across major economies.

Alongside these developments, ESG-labelled assets expanded rapidly, passive ESG funds proliferated, and reliance on third-party ESG ratings intensified, influencing capital allocation at scale. Repeated climate, industrial, and governance crises reinforced the financial consequences of ESG failures, shifting the discourse decisively toward risk management and financial stability rather than voluntary "doing good."

2.7 2020s: REGULATORY CONVERGENCE AND THE ERA OF ASSURED ESG

The early 2020s have been defined by efforts to harmonise ESG standards and shift from voluntary disclosure to enforceable regulation. The European Union has led this transition through an integrated framework encompassing the SFDR, EU Taxonomy, CSRD, and CS3D. Central to this agenda, the CSRD mandates "double materiality" reporting, placing sustainability information on par with financial data. At the global level, the IFRS Foundation's ISSB has issued IFRS S1 and S2 as baseline standards to enable globally consistent sustainability-related financial disclosures.

At the same time, ESG ratings have grown in scale and influence, shaping capital allocation through indices and ETFs. Methodological divergence, opacity, and conflicts of interest have prompted regulatory scrutiny, with the EU introducing formal oversight of ESG rating providers and international bodies such as IOSCO issuing conduct standards.

These global shifts form the backdrop to India's ESG trajectory. India's Business Responsibility Reporting has evolved into BRSR and, more recently, BRSR Core, explicitly designed to be assurance-ready and broadly interoperable with global standards. The emphasis on reasonable assurance, value-chain transparency, and board accountability mirrors global convergence toward evidence-based ESG, while retaining a distinct Indian focus on inclusive growth, energy transition, and social equity.

2.8 INDIA'S BRSR CORE IN HISTORICAL PERSPECTIVE

Seen against the backdrop of five decades of global ESG evolution, BRSR Core is less a rupture than a culmination. It aligns India's civilisational ethics—dharma, trusteeship, and community welfare—with global ESG frameworks shaped by environmental crises, UN processes, and investor action, while technically mirroring international shifts toward standardised metrics, climate risk disclosure, and double materiality.

Introduced by SEBI in July 2023, BRSR Core streamlines India's sustainability reporting by mandating standardised, third-party-assured disclosure of nine sector-agnostic ESG KPIs for the top 1,000 listed companies, on a phased timeline, alongside value-chain disclosures. By requiring auditable metrics, consistent methodologies, and reasonable assurance under recognised standards, the framework signals India's transition from narrative ESG to evidence-based, assurance-ready reporting.

The inclusion of value-chain disclosures acknowledges that sustainability extends beyond corporate boundaries—an essential recognition in an economy anchored in MSMEs and complex supply networks. In this sense, 2026 marks not just a compliance deadline but a convergence point, where India's ethical traditions, global ESG standards, and capital-market expectations coalesce into a credible, comparable sustainability regime.

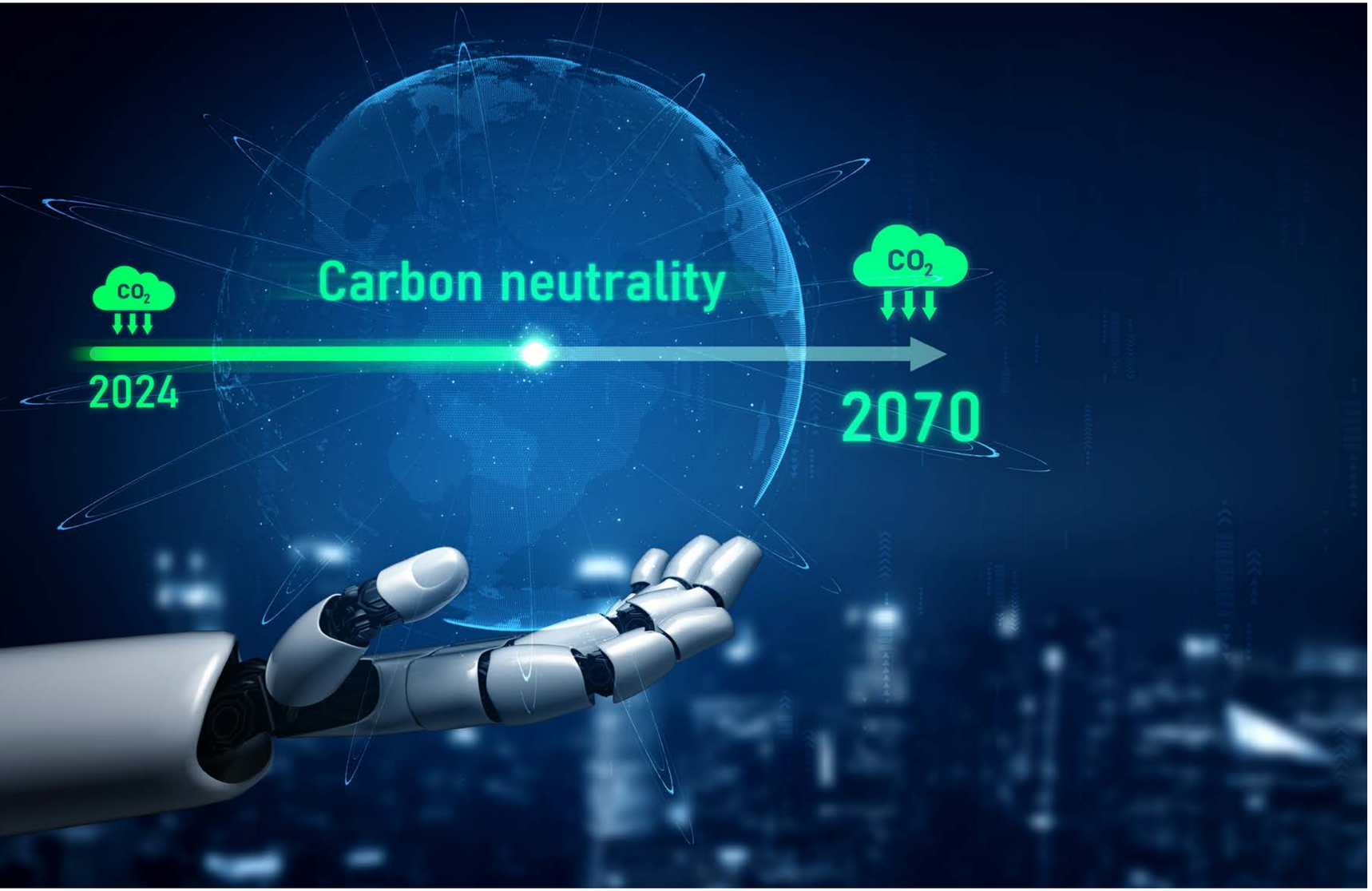
2.9 WAY FORWARD

Over the next decade, ESG in India is likely to evolve from compliance-driven BRSR Core reporting into a broader system of impact measurement and transition finance, linking disclosures directly to how capital is priced and allocated. BRSR Core will remain the foundation, but the frontier will be credible transition plans, sectoral taxonomies, and financing instruments that translate ESG metrics into real-economy outcomes.

The framework is already driving stronger data systems, internal controls, and board oversight. The next step is to connect these metrics to forward-looking climate and just-transition plans—covering decarbonisation pathways, capital allocation, and social safeguards—areas where investors increasingly see gaps. BRSR data is likely to feed into credit assessments, with lenders demanding bankable transition strategies.

Value-chain disclosures will extend ESG beyond large corporates to suppliers and MSMEs, especially in emission-intensive and labour-intensive sectors, turning ESG into a system-level transformation agenda. India's emerging climate finance taxonomy and tighter green and transition debt rules will further align disclosures with capital markets, rewarding credible, taxonomy-aligned transition trajectories with improved access to capital.

By 2030, investors will expect demonstrable progress, not static ESG scores—consistent targets, credible plans, and alignment between strategy, capex, and outcomes. As SEBI progressively tightens requirements, ESG ownership will shift decisively to boards. The defining shift will be from reporting ESG to delivering ESG outcomes, with BRSR Core, just-transition metrics, and climate finance tools jointly steering India toward its NDCs and development goals



03

INDIA'S NET ZERO PLEDGE AND SUSTAINABILITY PATHWAYS

3.1 A DEVELOPMENTAL TRANSITION FRAMED BY CLIMATE IMPERATIVES

India's ambition to achieve Net Zero emissions by 2070 marks a defining moment in the country's development trajectory. The commitment is not an isolated environmental aspiration but an integrated blueprint for rethinking how India produces, distributes, and consumes value in a world where carbon constraints shape economic choices.

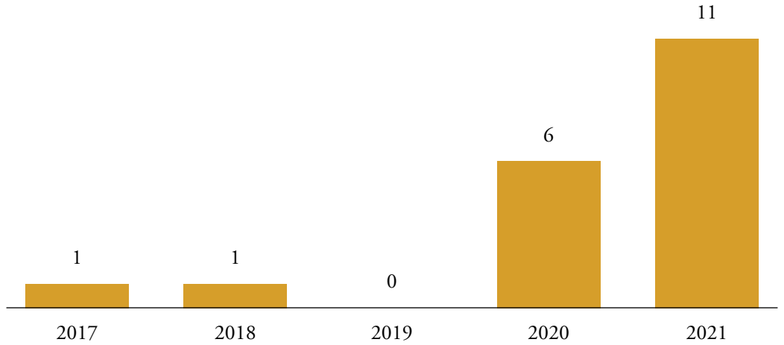
The momentum behind this transition is visible in the behaviour of financial and corporate actors in India. The number of Indian signatories to the United Nations Principles for Responsible Investments (UNPRI) increased from a single signatory in 2017 and 2018 to six signatories in 2020 and eleven signatories in 2021 (Figure 3.1).

This growth signals a broadening of acceptance that responsible investment is now part of strategic planning. The expanding participation demonstrates that sustainability is being internalised as a principle that guides capital allocation, firm-level governance, and engagement with global financial markets.

The 2070 horizon provides a sequenced pathway for India to expand renewable energy capacity, address technology gaps, institutionalise climate-responsive regulation, and embed

sustainability in market behaviour without excluding segments of the population from growth. The pledge, therefore, represents a shift away from fragmented compliance toward a structural transformation in which sustainability becomes a foundational organising logic of national development rather than an externally imposed constraint.

Figure 3.1: Number of United Nations Principles for Responsible Investment (UNPRI) signatories in India from 2017 to 2021



Source: Dolat Capital, United Nations, Decimal Point Analytics; data extracted and compiled from Statista, 2025

3.2 INDIA'S NET ZERO ARCHITECTURE

India's chosen pathway toward Net Zero follows a sequenced transition model that is expected to balance climate responsibility with economic pragmatism. The selection of 2070 as the target year reflects the layered realities of a nation that must advance decarbonisation without jeopardising developmental commitments, labour absorption, or industrial competitiveness. Rather than adopting an unsustainable binary between growth and climate action, India proposes a synthesis: development facilitated through decarbonisation. The architecture of this transition is anchored in the five national commitments articulated at COP26, often referred to as the Panchamrit, which translate long-term ambitions into measurable short-term milestones. These include expanding non-fossil electricity capacity to 500 gigawatts, sourcing half of national energy requirements from renewables, reducing the emissions intensity of GDP, and avoiding significant cumulative emissions before 2030. These commitments represent market-shaping signals that influence where businesses place capital, how states prioritise infrastructure, and how investors interpret long-term risk. The Net Zero framework, therefore, rests on a coherent logic that reconceives mitigation as a reconfiguration of energy, industry, mobility, agriculture, and urban systems, balances residual emissions through carbon sinks, and embeds sustainability into procurement, governance, and financial decision-making rather than isolating it within environmental departments.

3.3 INDIA'S EMISSION GEOGRAPHY: A CONCENTRATED CHALLENGE

India's emissions profile illustrates why sustainability cannot be treated as a peripheral corporate exercise. As highlighted in Mission 2070 by the World Economic Forum[22], more than 90% of India's greenhouse gases originate from five core sectors: electricity generation, manufacturing, transport, buildings, and agriculture. These sectors are not side activities. They are central to employment creation, export competitiveness, and national infrastructure expansion. Decarbonising them is therefore not an environmental gesture but a structural economic challenge that directly affects livelihoods, industrial productivity, and supply chain stability. India now faces the dual responsibility of reducing emissions without derailing industrial output and ensuring universal energy access even as the country transitions away from fossil dependency. Renewable energy capacity has surged, and the Net Zero Emissions and Global Carbon Budget report by the Environment Ministry[23] confirms that **renewable generation is already exceeding new coal additions.** Yet coal remains indispensable for grid balancing, and storage technologies, along with flexible transmission systems, are still evolving. The energy transition thus cannot be abrupt. Rather than delaying the shift, India is sequencing it to prevent systemic disruptions while steering the economy toward cleaner foundations.

The energy transition thus cannot be abrupt. Rather than delaying the shift, India is sequencing it to prevent systemic disruptions while steering the economy toward cleaner foundations.

3.4 FINANCIAL RECONFIGURATION: CAPITAL AS THE DRIVER OF CLIMATE DISCIPLINE

Policy may set expectations, but capital flows will determine the velocity of India's transition. Financial markets have begun translating sustainability from aspiration into enforceable discipline. The World Economic Forum estimates that India's green finance pipeline could unlock substantial economic value by 2070 through investments in renewable energy and industrial decarbonisation[22]. Institutions now categorise green assets with greater rigour, reducing ambiguity and preventing the mislabelling of financial products. The Sustainability in India report by ASSOCHAM[24] underscores how clarity in defining green assets minimises the risk of superficial compliance and encourages genuine sustainability-linked financing. **The financial ecosystem in India has thus emerged as a gatekeeper, channelling capital toward organisations that internalise climate governance** while limiting opportunities for businesses that fail to align. This shift transforms sustainability into a determinant of financial viability and accelerates the pace at which firms incorporate emissions governance, climate risk, and supply-chain resilience into their business models.

Financial markets have begun translating sustainability from aspiration into enforceable discipline.

3.5 SECTORAL TRANSFORMATION AND TECHNOLOGY INFLECTION POINTS

Technology sits at the Centre of India's long-term emission goals. The transition toward Net Zero requires innovation-led interventions in every sector that shapes industrial competitiveness and everyday life. Green hydrogen ecosystems are being developed for hard-to-abate industries such as steel, cement, and logistics. Storage systems for renewable energy are emerging as critical infrastructure for grid stability. Circular material loops in manufacturing are redefining waste and used materials as inputs rather than as an externality. Digital traceability systems are enabling real-time emissions tracking and automated ESG reporting, thereby creating transparent value chains. India has the opportunity to leapfrog legacy industrial models by embedding advanced materials, distributed energy systems, and climate-smart agricultural practices into production networks[24]. Yet technology alone is insufficient. India must cultivate a pool of sustainability professionals, carbon accountants, ESG strategists, and green engineers capable of designing, implementing, and governing these innovations. The Sustainability in India report by ASSOCHAM[24] emphasises that without such human capital, technological infrastructure risks becoming procedural rather than transformational. India's transition is thus as much a skills revolution as it is a technological shift.

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3.6 CHALLENGES AND FRICTION POINTS IN INDIA'S TRANSITION

India's sustainability transformation is gaining momentum, yet it unfolds amid structural constraints that will influence the speed and depth of change. Capability limitations remain evident, particularly in the scarcity of professionals adept in climate analytics, sustainability reporting, and ESG governance. Without skilled personnel, reporting frameworks risk devolving into compliance checklists rather than mechanisms that infuse sustainability into decision-making. Sectoral asymmetry compounds the issue: larger corporations are integrating sustainability into board-level strategies and capital allocation processes, while micro, small, and medium enterprises struggle with costs, unfamiliarity, and fragmented supply chains. The transition is further shaped by infrastructure dependencies, as renewable energy penetration requires transmission upgrades, advanced storage solutions, and land availability. These frictions do not undermine India's ambition. They mark the boundaries within which reforms must be sequenced, negotiated, and institutionalised. The transition is not a simple linear progression; it is a complex choreography that balances aspiration, capacity, and equity.

3.7 NET ZERO AS INDIA'S ECONOMIC REWRITING

India's Net Zero commitment must be understood not only as a climate target but as an inflection point in the country's economic logic. Growth will increasingly be evaluated not by the volume of output or the scale of industrial expansion but by how efficiently value is created with minimal carbon intensity. The organising principles of development are shifting from resource extraction to innovation, from linear production chains to circular material flows, and from reliance on imported fuels to sovereignty in clean energy technologies. Supply chains are being redesigned to prioritise accountability, traceability, and resilience. Net Zero therefore reframes the foundations of India's competitive advantage by integrating environmental responsibility into national economic identity. It positions India not as a late adopter of sustainability norms, but as a participant in designing a development paradigm in which prosperity and emissions are progressively decoupled.

3.8 THE HORIZON OF 2070

India's Net Zero target marks the transition from climate ambition to climate architecture. The country is constructing an economy in which the legitimacy of growth will no longer be judged solely by financial output but also by its compatibility with ecological constraints, technological readiness, supply-chain transparency, and social inclusion. India's sustainability objectives are neither a concession to global pressure nor a symbolic alignment with international rhetoric. They represent a recalibration of what development means in a century defined by climate risk and competitive realignment. By embedding sustainability into national planning, industrial policy, and capital allocation, India has initiated its most ambitious economic redesign since liberalisation. The Net Zero horizon is not an endpoint. It is a destination that shapes every future decision about production, mobility, finance, and technology, marking the beginning of a new era in which India seeks to secure prosperity without ecological penalty.

3.9 THE NEXT GROWTH IMPERATIVE: BUILDING MANAGERIAL CAPABILITY FOR SUSTAINABILITY

India's Net Zero commitment reflects a deeper redefinition of what sustainable growth will mean in the decades ahead. The real test now lies not in announcing objectives, but in building the managerial capacity to translate sustainability—across environmental, social, technological, and governance dimensions—into everyday business decisions. Managers will increasingly be required to factor long-term resource constraints into capital allocation, interpret directional regulation with strategic intent, redesign supply networks for resilience and inclusion, and align digital investments with enduring value creation. These are not capabilities that can be acquired through incremental curriculum updates or occasional training programmes. They demand a fundamental shift in how management talent is developed over time. Business schools, therefore, have a responsibility to rethink the architectures of PGDM and executive education, ensuring that sustainability is woven into the analytical foundations of strategy, finance, operations, and digital transformation rather than being positioned as a peripheral specialisation. Corporate learning systems must evolve in tandem, enabling managers to navigate uncertainty, manage trade-offs, and implement sustainability at scale. Institutions that respond decisively will help shape an economy that is not only competitive but resilient, credible, and aligned with societal expectations.

04

SUSTAINABILITY-READY BUSINESS CAPABILITIES AND SKILL GAPS

Findings of survey conducted by IMT Ghaziabad & UNGC Network India

4.1 INTRODUCTION

Regulations and reporting frameworks have created momentum, but this momentum will not translate into meaningful progress unless organisations build the internal capacity to navigate sustainability transitions. At the heart of the challenge lies a persistent capability and skills deficit—one that firms openly recognise and repeatedly acknowledge. Persistent skills shortages make academia–industry collaboration not optional, but essential to credible capability building. They have the potential to design context-relevant training, create applied learning pathways, and bridge the knowledge gap between regulatory expectations and operational practice. Without such collaboration, firms risk remaining compliant on paper without building the capabilities required for actionable sustainability outcomes.

4.1.1 Methodology

To explore how firms are responding to these pressures and opportunities, IMT Ghaziabad, in collaboration with the United Nations Global Compact Network India, conducted a comprehensive survey of companies across manufacturing, technology, logistics, finance, energy, and other sectors. The survey captures organisational perceptions, internal structures, capability requirements, measurement systems, and perceived barriers. The objective is to understand whether firms are beginning to embed sustainability into managerial routines and strategic thinking rather than treating it as an externally imposed requirement.

The study is centred on a set of core questions that guide its analysis:

4.1.2 Key Questions Addressed

1. What motivates Indian firms to undertake sustainability initiatives: regulatory pressure, stakeholder expectations, customer demands, or potential competitive advantage?
2. How are firms embedding sustainability measures into their organisation structure?
3. What skills, knowledge systems, organisational capabilities and ecosystem are required to move sustainability actions from mere regulatory compliance toward developing a competitive advantage?

Despite their strategic importance to sustainability transitions, there is limited visibility on how Indian industries are currently addressing these issues. The study aims to provide a structured understanding of how Indian firms are navigating the emerging sustainability landscape. It highlights a shift in mindset where sustainability is no longer seen purely as compliance but increasingly as a lens for market access, operational efficiency, and strategic differentiation. The insights from this research lay a foundation for collaboration among businesses, academic institutions, policymakers, and sustainability professionals who must together address the human capital deficit and build the capabilities necessary for India's sustainability transition.

The respondents included senior management from 113 organisations that were implementing sustainability strategies. Around one-third of these respondents are from the manufacturing sector. Organisations from the technology, finance, energy, logistics and retail sectors represent another third. The remaining respondents represent various service organisations. Almost 50% of respondents are from large firms with more than 500 employees. Over 40% of the respondents are from organisations that operate in more than three countries.

The survey suggests that the regulatory push has acted as a moral and strategic boundary setter, but firms are gradually internalising sustainability as part of their broader corporate purpose. Interestingly, 68% of the respondents highlight internal leadership vision, reflecting a shift from a compliance-centric CSR activities toward stakeholder-led value creation by internalising sustainability objectives. This ideological transition echoes global debates over purposeful businesses, in which profit is intertwined with social legitimacy. **The emergence of dedicated sustainability departments and internal measurement systems indicates an evolution toward learning organisations.**

Though over half of the respondents (51%) acknowledged regulatory mandates as a key factor influencing their sustainability agenda, many firms are now moving beyond compliance to pursue broader strategic and leadership goals. When asked about the future, nearly 47% of firms expected the evolving sustainability norms to significantly influence their operations over the next three to five years, and another 36% anticipated a moderate effect. There are sectoral differences in these anticipations on impact levels (Figure 4.1).

Interestingly, 68% of the respondents highlight internal leadership vision, reflecting a shift from a compliance-centric CSR activities toward stakeholder-led value creation by internalising sustainability objectives.

The retail and technology sectors occupy a middle ground, with about half of retail firms and one-third of technology firms expecting significant sustainability impacts, while others foresee moderate adjustments. This variation likely reflects the distinct "shades" of sustainability across these sectors. For retail, sustainability is often consumer-facing, encompassing packaging, waste management, and ethical sourcing, where brand visibility and customer expectations heighten perceived regulatory and market impact[25].

In contrast, technology firms face less direct scrutiny but deal with sustainability challenges embedded in data-centre energy efficiency, electronic-waste management, and responsible mineral sourcing[26]. As a result, their sustainability transitions are more diffuse and innovation-led, leading to lower immediate expectations of regulatory disruption. These sectoral differences indicate that while regulation is broadly recognised as a driver, its perceived weight is conditioned by industry exposure to carbon, compliance intensity, and integration with global supply chains.

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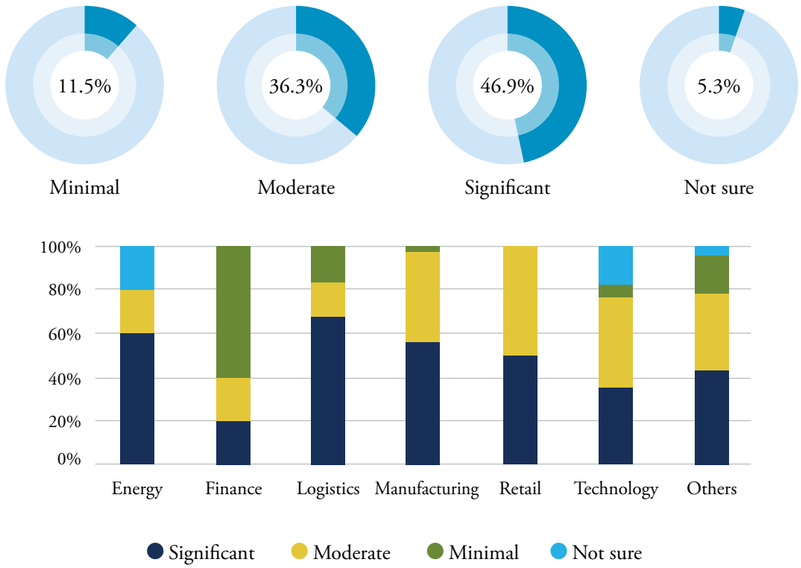
Figure 4.1: Anticipated Impact of Evolving Sustainability Norms (Next 3-5 Years)



Source: IMT-UNGCNI Sustainability Survey, 2025

4.2 ORGANISATION STRUCTURES FOR SUSTAINABILITY

4.2.1 Structure

In conventional corporate structures in the prevailing Indian context, sustainability often remains a compliance exercise rather than an element of core business strategy, owing to a lack of dedicated units, innovation, or stakeholder priorities. In contrast, more adaptive approaches, such as communities of practice, help embed sustainability by fostering learning, flexibility, and knowledge-sharing across organisational and stakeholder groups. Effective transformation, therefore, requires reconfiguring organisational rules, resources, and relationships to support sustainable practices, rather than just introducing new reporting systems. The businesses surveyed have indicated adopting organisational restructuring by embedding sustainability objectives through both structure and measurement. The majority have created internal ownership (Table 4.1).

The businesses surveyed have indicated adopting organisational restructuring by embedding sustainability objectives through both structure and measurement. The majority have created internal ownership.

Table 4.1: The Evolving Engagements and Efforts for Sustainability Management

Policy / Framework / Practice	Percentage of Respondents (%)
SEBI BRSR Compliance (Business Responsibility and Sustainability Reporting)	50.5
Presence of a dedicated ESG/Sustainability function within the organisation	46.8
International Reporting Standards (e.g., CDP, TCFD, SBTi, GRI)	39.5
Internal sustainability disclosures (not aligned with formal standards)	34.9
Extended Producer Responsibility (EPR) – packaging, metals, or industrial waste	30.3
Plastic and Packaging Waste Management Rules	27.5
Renewable Energy Norms (e.g., Renewable Purchase Obligation – RPO)	19.3
Energy Efficiency Obligations (e.g., PAT Scheme – Perform, Achieve & Trade)	17.4

Note: Respondents could tick multiple options on this topic. So, percentages should not be added up.

Source: IMT-UNGCNI Sustainability Survey, 2025

4.2.2 Measurement

Over 80% of the businesses surveyed conduct sustainability measurement processes, either internally, outsourced, or both. The methods suggested were surveys, performance metrics, third-party audits, internal audit and data analytics. More than 60% of respondents reported doing this internally, while around 15% reported doing both internal and outsourced processing for each method (Figure 4.2).

Strengthening assurance mechanisms and establishing independent validation frameworks will therefore be essential to ensure that measurement translates into credible performance evidence rather than self-reported compliance. However, nearly one in five organisations (19%) report not measuring their sustainability impact at all, revealing a significant systemic gap.

Taken together, these patterns suggest that organisations are moving beyond standalone reporting units and toward embedded management systems that include routine measurement, internal audits, and selective external evaluations. At the same time, there is a clear need for strengthening organisational structures to ensure more credible and independent assessment of sustainability outcomes.

Greater reliance on third-party audits can enhance transparency and build trust among stakeholders, particularly where internal assessments may lack objectivity. The priority for firms that have yet to measure impact is to develop systematic assessment tools, while those already tracking performance must complement internal processes with independent external reviews. This dual approach can provide both operational insight and external credibility, ensuring that sustainability performance is not only measured but also trusted by markets, regulators, and society.

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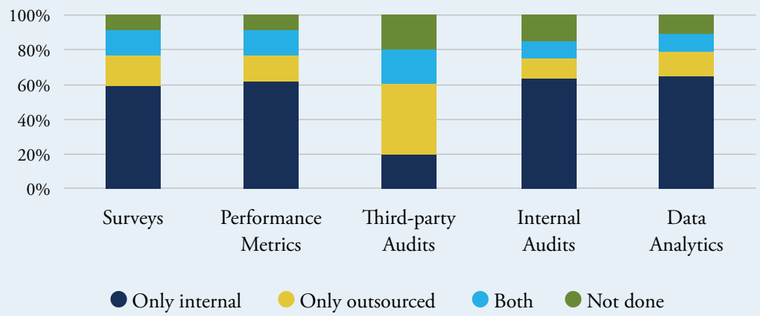
Those already tracking performance must complement internal processes with independent external reviews. This dual approach can provide both operational insight and external credibility

Figure 4.2: Measurement methods adopted by respondents



Source: IMT Ghaziabad-UNGCNI Survey 2025

4.3 CAPABILITY ARCHITECTURE FOR SUSTAINABILITY: HUMAN CAPITAL, CULTURE, ECOSYSTEM

Three key drivers for more profound transformation into strategic sustainability structures are: Human Capital, Organisational Culture, and the Ecosystem. Firms with ESG skills in carbon accounting, life cycle assessment, and transition planning access capital more efficiently and innovate faster. Organisational culture drives real impact only when tied to incentives, operational KPIs, and cross-functional learnings. External ecosystems are also reshaping practice, with new global standards such as the ISSB's IFRS S1/S2 and India's BRSR improving comparability and investor confidence. However, these advances are largely concentrated among larger firms with established governance systems and access to expertise. The MSME sector, which forms the backbone of India's industrial ecosystem, continues to face skill shortages, resource constraints, and limited access to ESG finance. Addressing these gaps presents both a policy need and a significant opportunity to broaden sustainability capabilities across firm sizes and business scopes.

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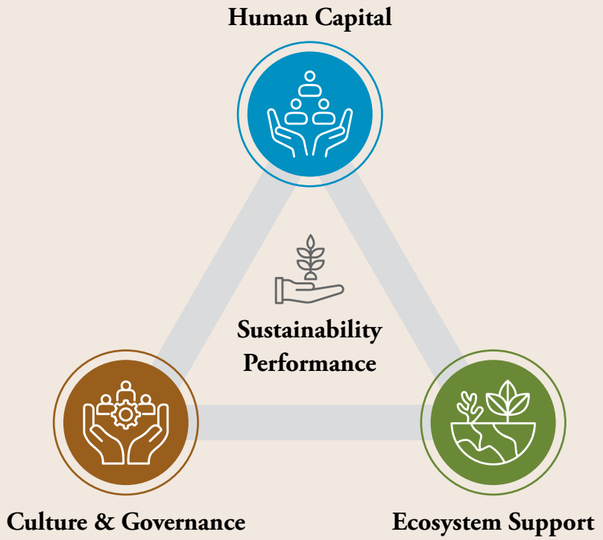


Chart 4.1: What capabilities are required inside firms?

4.3.1 Human capital

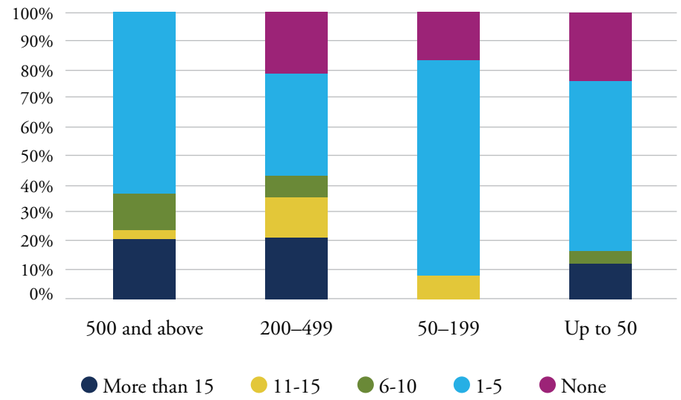
Most businesses surveyed operate with lean sustainability teams. Around 68% of respondents from large manufacturing companies (with more than 500 employees) reported having a sustainability team of just 1-5 people. Figure 4.3 presents an interesting picture of the extent of organisational engagements in sustainability efforts at varying levels.

More than half of the respondents (57.5%) reported having fewer than 05 professionals dedicated to ESG functions, while nearly 01 in 10 reported having no dedicated professionals at all. 15.9% have reported having more than fifteen professionals. Although 78% of firms consider their current staffing "adequate," this adequacy is primarily defined by reporting and compliance rather than the complex execution required for decarbonisation, circularity, or supplier transformation.

As shown in Figure 4.4, strengthening vendor and partner alignment with ESG goals has been identified as a major concern in the industry. In addition, a significant skill gap in the domain of sustainability strategies is increasing the difficulties. Carbon accounting, climate-risk scenario planning, life cycle assessment, and supply-chain sustainability management are among the most critical capabilities. Many firms have formal ESG policies but struggle to extend them across fragmented supply chains, especially when suppliers are small and cost-constrained. This shows that sustainability is moving from a central reporting function to a distributed operational responsibility, but incentives, functional performance metrics, and supplier enablement programs remain weak.

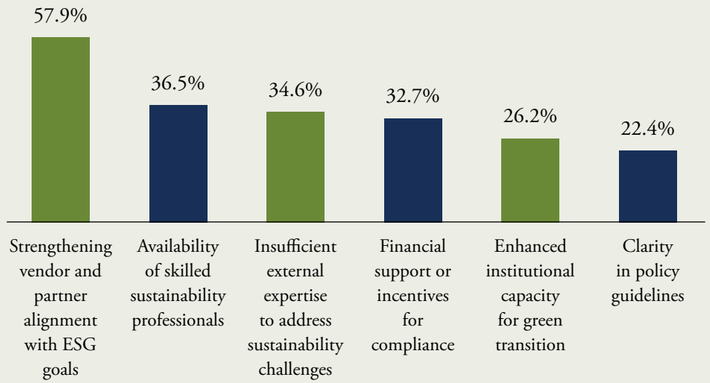
Although 78% of firms consider their current staffing "adequate," this adequacy is primarily defined by reporting and compliance rather than the complex execution required for decarbonisation, circularity, or supplier transformation.

Figure 4.3: Total Employee Strength vs. Sustainability Team



Sustainability is moving from a central reporting function to a distributed operational responsibility, but incentives, functional performance metrics, and supplier enablement programs remain weak.

Figure 4.4: Major Challenges facing the industry in Sustainability Management



4.3.2 Culture: shifting from compliance to performance-driven sustainability

Leadership intent is emerging as a strong motivator. 68% of firms cite internal vision and leadership commitment as a key driver, closely followed by 66% who indicate brand and market positioning as a strong driver.

4.3.3 Ecosystem and institutional supports: enabling scale and credibility

Industry bodies and networks such as CII, FICCI, UNGCNI, and IGBC are visible but often fragmented in providing practical tools for supplier engagement or transition finance. Firms call for sector-specific decarbonisation roadmaps, more precise financial instruments to de-risk early investment, and accessible supplier enablement programs. In this context, collaboration with academic institutions is also seen as essential, especially for designing applied curricula and research initiatives that can expand the pipeline of sustainability professionals.

4.3.4 Circular Economy: From Waste Management to Resource Competitiveness

The circular economy is emerging as a crucial yet underdeveloped pillar of corporate sustainability strategy. While most firms have focused on energy efficiency and emissions reduction, a growing number are beginning to recognise the economic and reputational value of resource circularity. About one-third of surveyed organisations (34.5%) identified the circular economy as one of their most pressing sustainability challenges, particularly in sectors with high material intensity and waste generation, such as manufacturing, retail, and logistics.

Leadership intent is emerging as a strong motivator.

Firms call for sector-specific decarbonisation roadmaps, more precise financial instruments to de-risk early investment, and accessible supplier enablement programs.

While most firms have focused on energy efficiency and emissions reduction, a growing number are beginning to recognise the economic and reputational value of resource circularity.

Circularity initiatives reported by firms have largely taken the form of waste segregation, material recycling, and closed-loop water systems, with several manufacturing firms experimenting with zero-liquid discharge (ZLD) facilities and take-back mechanisms for industrial by-products. However, the scaling of these initiatives remains constrained by high upfront costs, limited supplier readiness, and inadequate reverse logistics infrastructure. Retailers, for instance, cite the absence of cost-effective systems for product recovery and recycling under Extended Producer Responsibility (EPR) as a major hurdle. At the same time, logistics firms struggle with technology and coordination gaps that prevent effective material reuse.

Despite these challenges, circular practices are increasingly linked to competitiveness rather than compliance. Firms that have embedded circular design principles report gains in operational efficiency and brand differentiation, aligning with broader survey trends: 69% of respondents credit sustainability with enhancing brand image, and 58% link it to improved efficiency. These outcomes suggest that circularity is no longer confined to waste management but is being reframed as a driver of cost optimisation and innovation.

As we advance, the circular economy can serve as a bridge between India's Net Zero ambitions and its industrial competitiveness. By reconfiguring value chains around resource efficiency and material recovery, firms can reduce dependency on virgin inputs, mitigate supply chain risks, and position themselves for the emerging global trade regimes that reward low-carbon, circular products. The survey findings make it clear that the next frontier of corporate sustainability lies in transforming linear production systems into regenerative ones—where waste is designed out, materials circulate longer, and value creation becomes inherently sustainable.

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The next frontier of corporate sustainability lies in transforming linear production systems into regenerative ones

4.4 FROM COMPLIANCE TO COMPETITIVENESS: STRATEGIC PATHWAYS

In its attempt to understand whether there is any ideological shift among businesses about sustainability as a 'licence-to-operate obligation' to 'performance and market advantage', it has found that around two third of the respondents have indicated 'Stakeholder Expectations' and/or 'Brand Reputation and Market Positioning' and/or 'Internal Strategic Vision' as key drivers of sustainability actions in their respective organisations (Table 4.2). In the energy and manufacturing sectors, 'Brand Reputation and Market Positioning' and 'Internal Strategic Vision' are perceived as the key drivers by nearly 80% of respondents. Over two-thirds of the respondents from the logistics sector perceived 'Internal Strategic Vision' and 'Global Value Chain Requirements' as the key drivers.

Two third of the respondents have indicated 'Stakeholder Expectations' and/or 'Brand Reputation and Market Positioning' and/or 'Internal Strategic Vision' as key drivers of sustainability actions

Table 4.2: Perception Percentages about Drivers of Sustainability Action Across Sectors

	Regulatory Mandates	Stakeholders Expectation	Customer Expectation	Cost Optimisation Objective	Brand Reputation and Market Positioning	Internal Strategic Vision or Leadership Commitment	Global Value Chain Req.	Risk Mitigation
Total	51	63	51	41	66	68	46	39
Energy	20	80	40	40	100	80	60	40
Finance	80	60	60	40	60	40	40	40
Logistics	33	33	33	50	50	67	67	33
Mfg	56	69	67	56	78	81	50	44
Tech	53	65	59	29	53	53	47	24

Note: the respondents could choose multiple options. So, the total will not add up to 100%

Source: IMTG-UNGCNI Sustainability Survey, 2025

Businesses are beginning to connect decarbonisation and circularity with brand identity and market positioning, as well as cost optimisations through sustainable supply chains and take-back or recycling programs. Forward-looking expectations reinforce this.

4.5 CHALLENGES AND EMERGING ISSUES

The survey highlights that Indian firms have made measurable progress in moving from compliance to competitiveness, yet the transition remains incomplete and uneven. Several structural and operational gaps continue to hold back the deeper integration of sustainability into core business strategy.

Table 4.3: Challenges in Implementing Sustainability Strategies

	Perception Percentages					
	A	**B**	**C**	**D**	**E**	**F**
Energy	20%	0%	20%	60%	40%	60%
Finance	20%	40%	60%	20%	40%	40%
Logistics	17%	50%	17%	33%	50%	17%
Manufacturing	33%	25%	39%	25%	64%	17%
Technology	6%	24%	29%	35%	53%	24%
Grand Total	21%	31%	35%	33%	55%	25%

A. Clarity in Policy Guidelines
B. Financial Support or Incentives for Compliance
C. Availability of Skilled Sustainability Professionals
D. Insufficient External Expertise to address Sustainability Challenges
E. Strengthening Vendor and Partner Alignment with ESG Goals
F. Enhanced Institutional Capacity for Green Transition

A sectoral analysis of the perceived challenges in implementing sustainability strategies reveals that the majority of respondents feel that aligning vendors and partners with ESG goals is the most challenging, particularly in the manufacturing sector (Table 4.3). In most manufacturing cases, the supply chain involves many MSMEs. Integrating them into an ESG-compliant supply chain network appears to be the most challenging task. In the energy sector, insufficient availability of external expertise to facilitate the green transition is a key challenge, while upscaling appears to be the most challenging aspect.

4.5.1 Building Capabilities and the Ecosystem

4.5.1.1 Capabilities

Academia has an equally vital role to play in shaping India's sustainability transition. Capability shortages are among the most pervasive internal barriers, with 57% of firms operating with only one to five ESG professionals and nearly one in ten reporting no dedicated staff at all. Although 78% rate their current resources as adequate, this adequacy is defined chiefly in terms of reporting and disclosure rather than the complex technical transition towards decarbonisation, circularity, or supplier transformation. Skill developments in carbon accounting, climate-risk scenario planning, life-cycle assessment, and supply-chain sustainability can fill the technical skill gaps that businesses have clearly identified. The study presents an outline of the skills needed to facilitate a strategic green transition by the Indian industry, as shown in Table 4.4.

The respondents have been asked to rank the skill needs for their respective green transitions without specifically mentioning short- or long-run needs. Based on the ranks assigned to 19 predefined skill needs listed in the survey, a ranking index has been calculated. It is the weighted average of the top three rankings by frequency for a particular skill-need, with each ranking's frequency used as a weight. Based on this ranking index, the skill needs have been ranked and listed in 4.4 below.

Interestingly, some of the skills with perceivably short-run requirements have been ranked lower than others that may be achieved only over time. For example, Market Demand and Green Trend Analysis' has been ranked lower than 'Metallurgical Innovation', which is less likely to take less time than the former. 'Critical Thinking and Problem Solving (Sustainability Lens)' has been ranked almost at the bottom. Surprisingly, the skill of 'Environmental & Sustainability Literacy' has been ranked among the lowest requirements. Probably, this skill need has been perceived as mere knowledge rather than action orientation. Apart from a few such counterintuitive observations, the table presents a fairly rational approach to the gradual integration of the green transition. What is clearly observable is the preference for action orientation in the short run.

Table 4.4: Skill-Gaps for Green Transition

	Rank	Skills
Short-run Requirements	1	Policy & Regulatory Analysis
	2	EPD / Environmental Footprint Disclosure
	3	Carbon Accounting / GHG Tracking
	4	Climate Risk / Scenario Planning
	5	Lifecycle Analysis (LCA)
	6	Energy Modelling & Efficiency
	7	Renewable Energy Planning
	10	ROI / Cost-Benefit Analysis
	12	Market Demand & Green Trend Analysis
	14	Sustainable Supply Chain Management
	15	Data Analytics for Sustainability
	16	Critical Thinking & Problem-Solving (Sustainability Lens)
	17	Environmental & Sustainability Literacy
Long Run Requirments	8	Circular Economy & Waste Management
	9	Green Tech (AI\ IoT\ Automation in Steelmaking)
	11	Metallurgical Innovation
	13	ESG Negotiation & Strategy
	18	Managing & Measuring Social Impact
	19	DEI & Social Sustainability

The classification of short-run and long-run requirements is the authors' conjecture, without scientific validation. However, irrespective of this classification, all these skills need to be developed with urgency, as the world is moving fast on the sustainability front, both in terms of compliance needs and competitiveness.

4.5.1.2 The Ecosystem: Creating Policy Clarity, Finance, and Assurance

Government and regulatory agencies must focus on creating a predictable, enabling environment for long-term investment in sustainability. Clear, long-term compliance roadmaps and harmonised disclosure requirements can help reduce uncertainty and support capital allocation. Alignment with emerging global standards such as the BRSR Core, ISSB, GRI, and the EU's CSRD will prepare Indian firms for international competitiveness. Financial support remains another crucial lever: nearly a third of respondents indicated a lack of financial incentives in opting for sustainability strategies, whereas about a fifth specifically pointed to high upfront capital costs and poor access to green or transition finance.

Policy measures such as expanded green credit guarantees, blended finance mechanisms, and tax credits for verified ESG investments can be especially beneficial for MSMEs. This way, MSMEs can be integrated into the larger supply chains that must decarbonise alongside anchor buyers.

Strengthening measurement credibility is equally important. Regulators such as SEBI could introduce proportionate independent assurance requirements for high-impact sectors, helping India's ESG reporting to match the credibility of global frameworks. Public–private innovation hubs that pilot digital monitoring and verification tools, low-carbon technologies, and circular economy solutions would further support firms, particularly mid-sized ones, in overcoming the technical and financial barriers they currently face.

Policy measures such as expanded green credit guarantees, blended finance mechanisms, and tax credits for verified ESG investments can be especially beneficial for MSMEs.

4.5.1.3 Social Sector and Networks: Scaling Inclusive and Credible Transitions

The social sector and NGOs play a critical role in making the sustainability transition inclusive and scalable. Firms cite supplier alignment as their single most significant challenge, and NGOs can serve as capacity builders for small vendors, offering training, audits, and toolkits to help them meet ESG requirements. They can also enhance credibility in social impact measurement, especially for firms that lack established systems for evaluating community engagement, workforce well-being, and gender equity outcomes. External expertise is required to strengthen both measurement and stakeholder engagement. NGOs and civil-society actors can meet this need while also convening dialogue between corporates, regulators, and local communities to ensure that sustainability transitions do not marginalise workers or small producers.

The United Nations Global Compact Network India (UNGCNI) has emerged as a catalytic platform connecting businesses, policymakers, and civil society to accelerate the sustainability agenda. It provides a trusted space for firms to exchange practices, benchmark progress, and access global standards such as the UN Global Compact's Ten Principles and Sustainable Development Goals (SDGs), translating international frameworks into actionable strategies suited to Indian contexts. This role is especially valuable for small and medium-sized enterprises that lack the resources to engage directly with global reporting bodies. Beyond advocacy, UNGCNI and other social-sector organisations act as implementation partners by developing supplier enablement programs, delivering ESG compliance training, and offering cost-effective audits or pre-

certification assessments for smaller vendors. Such interventions lower entry barriers for suppliers, provide larger firms with credible data to report on Scope 3 emissions and social impact, and mediate between corporations and local communities to ensure sustainability transitions include worker reskilling, gender inclusion, and fair participation in low-carbon value chains.

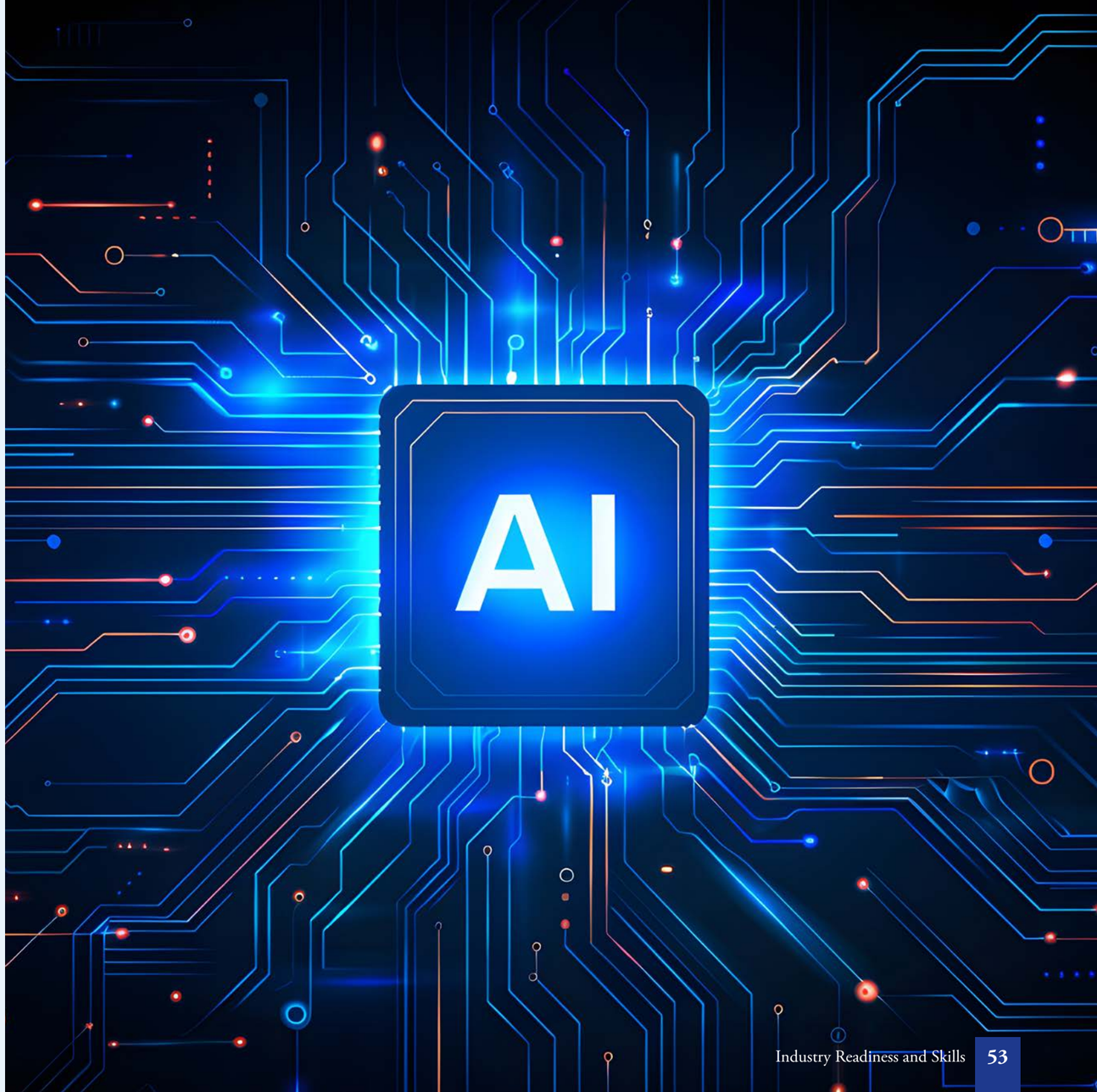
The Ecosystem thus created offers a practical pathway for deepening India's sustainability transition. Businesses gain competitiveness and market trust by embedding ESG into strategy; academia produces skilled talent and contextual research; government creates clarity, financing, and credible assurance frameworks; and NGOs ensure that change reaches suppliers, workers, and communities. Such a collaborative approach converts sustainability from a compliance cost into a driver of innovation, resilience, and global market access. It also aligns corporate action with the national Net Zero 2070 goals, positioning Indian firms to thrive in a low-carbon, purpose-driven global economy.

4.5.2 Artificial Intelligence as a Catalyst for Measurable Sustainability Actions

AI has emerged as both a solution and a challenge in India's sustainability transition, directly reflecting the gaps identified in the IMT–UNGCNI Survey. Firms cite climate transition risks and GHG management as their most pressing concerns, followed by supply-chain traceability, waste and circularity, the lack of real-time ESG dashboards, and continued manual reporting. These pain points align precisely with what AI can address. Artificial intelligence enables automated carbon accounting, predictive analytics for energy and water use, and lifecycle tracking, transforming sustainability reporting from periodic disclosure into continuous monitoring. Through machine learning–driven dashboards and automated data pipelines, organisations can bridge the measurement and reporting gap that has slowed their progress from compliance to performance.

However, the downside is that there may be issues with vendor alignment, data accuracy, and limited talent availability. Without skilled professionals and ethical oversight, AI integration can amplify bias, raise data privacy concerns, and increase energy consumption. Responsible deployment, therefore, requires transparency in algorithms, traceable data sources, and energy audits of AI systems themselves. When applied thoughtfully, AI becomes an instrument to operationalise the leadership intent already evident in Indian firms by converting aspiration into verifiable performance.

Artificial intelligence enables automated carbon accounting, predictive analytics for energy and water use, and lifecycle tracking, transforming sustainability reporting from periodic disclosure into continuous monitoring.



4.6 CONCLUSION

India is at a defining moment in its development journey. The vision to achieve Net Zero emissions by 2070 signals that sustainability has moved from prophecy to business to national ambition. The findings of this report show that the corporate sector is rethinking business growth in alignment with national sustainability goals. This shift in perception from compliance to competitiveness represents more than a technical change. The shift is about transitioning from cost efficiency and creating shareholder value to being responsible in business with a much bigger purpose. Today, a new narrative is emerging that businesses are recognising that their resilience, reputation, and long-term profitability depend on how well they respond to climate change, social expectations, and the global push for responsible production and consumption. Markets, investors, and consumers are gradually becoming more aware and sensitive to sustainability issues and rewarding those who take sustainability seriously.

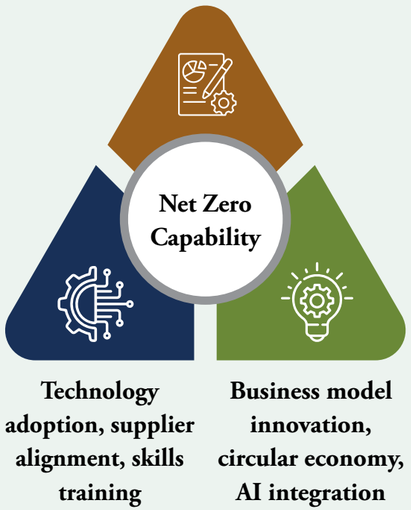


Chart 4.2: Achieving Sustainability

So far, disclosure mandates, CSR obligations, and the BRSR framework have laid the foundation for measurement and reporting. The next stage requires vision-led strategy, more substantial human capital, and collaboration across sectors. Leadership intent is growing, but capability gaps and fragmented support systems still hold progress back. Businesses need to bring sustainability into the heart of their decision-making, not as an afterthought but as a driver of innovation, growth, and competitiveness.

This calls for a coordinated response. Academia must produce skilled professionals in the fields of carbon accounting, life-cycle analysis, supply chain sustainability, and transition planning. Government must create policy stability, provide long-term roadmaps, and unlock finance through green credit guarantees, tax incentives, and blended funding models. Social sector organisations must help small and medium enterprises, vulnerable workers, and local communities participate in and benefit from this transformation. The sustainability transition in the coming years will decide the next generation of market champions.

The vision to achieve Net Zero emissions by 2070 signals that sustainability has moved from prophecy to business to national ambition.

Businesses need to bring sustainability into the heart of their decision-making, not as an afterthought but as a driver of innovation, growth, and competitiveness.

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ABBREVIATIONS

AACSB	Association to Advance Collegiate Schools of Business
AI	Artificial Intelligence
AICTE	All India Council for Technical Education
ASSOCHAM	Associated Chambers of Commerce and Industry of India
BRSR	Business Responsibility and Sustainability Reporting
BRSR Core	Business Responsibility and Sustainability Report – Core
CBAM	Carbon Border Adjustment Mechanism
CBD	Convention on Biological Diversity
CDP	Carbon Disclosure Project
CDSB	Climate Disclosure Standards Board
CII	Confederation of Indian Industry
COP26	26th Conference of the Parties
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
DDT	Dichlorodiphenyltrichloroethane
DEI	Diversity, Equity, and Inclusion
EPA	Environmental Protection Agency
EPD	Environmental Product Disclosure
EPR	Extended Producer Responsibility
ESG	Environmental, Social, and Governance
ETFs	Exchange-Traded Funds
FICCI	Federation of Indian Chambers of Commerce and Industry
FMCG	Fast-Moving Consumer Goods
FPM	Fellow Programme in Management
G20	Group of Twenty countries
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
GSIR	Global Sustainable Investment Review
IGBC	Indian Green Building Council
IFRS	International Financial Reporting Standards
IMT-G	Institute of Management Technology, Ghaziabad
IOSCO	International Organization of Securities Commissions
IoT	Internet of Things
ISAE	International Standard on Assurance Engagements
ISSB	International Sustainability Standards Board
KPI / KPIs	Key Performance Indicator / Key Performance Indicators
LCA	Life Cycle Assessment
MDGs	Millennium Development Goals
MSME	Micro, Small, and Medium Enterprises
NDCs	Nationally Determined Contributions
NGO	Non-Governmental Organisation
NIFTY 50	National Stock Exchange Fifty Index
PAT Scheme	Perform, Achieve & Trade Scheme
PGDM	Post Graduate Diploma in Management
PGDM-BFS	Post Graduate Diploma in Management – Banking and Financial Services
PGDM-ExP	Post Graduate Diploma in Management – Executive Programme
PGDM- DCP	Post Graduate Diploma in Management – Dual Country Programme
PRI	Principles for Responsible Investment
ROI	Return on Investment
RPO	Renewable Purchase Obligation
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets Initiative
SEBI	Securities and Exchange Board of India
SFDR	Sustainable Finance Disclosure Regulation
SDGs	Sustainable Development Goals
SRI	Socially Responsible Investing
SSR	Sustainability and Social Responsibility
SSAE	Standards for Attestation Engagements
TCFD	Task Force on Climate-related Financial Disclosures
UN	United Nations
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNGCNI	United Nations Global Compact Network India
UNPRI	United Nations Principles for Responsible Investment
USD	United States Dollar
ZLD	Zero Liquid Discharge

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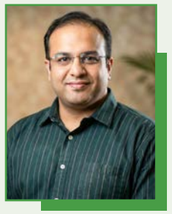

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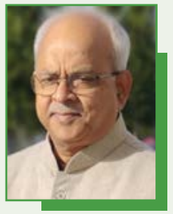

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