



Arun Duggal
Centre for
ESG Research

INDIAN INSTITUTE OF MANAGEMENT AHMEDABAD

विद्याविनियोगाद्विक्रमः

2022
2023

ANNUAL REPORT

The **Arun Duggal Centre for ESG Research (CESGR)** aims to be a Centre of Excellence fostering sustainable and ethical organizations defining the future of responsible capitalism. It will focus on facilitating cutting-edge research and dialogue to improve the ESG performance of organizations while nurturing an ecosystem for stakeholder capitalism in India.

TABLE OF CONTENTS



03	About Us
04	Message from Chairpersons
05	Focus Areas
06	Centre Activities
07	Executive Committee Members
09	Outreach & Knowledge Dissemination Platform
11	CESGR Timeline
12	Key Initiatives
18	Meet The Team
19	Future Roadmap

*Photo Credit: Tushar Patel, IIMA

ABOUT US

The Arun Duggal Centre for ESG Research (CESGR) at IIMA has been set up to contribute to the development of the nascent ESG ecosystem in India and help Indian enterprises and organizations integrate ESG into their core business and investment decisions. In doing so, the Centre shall contribute to the transition of businesses towards the future of capitalism defined by stakeholder orientation with a focus on long-term enterprise value, shared societal prosperity, and a sustainable relationship with the planet.

The incorporation of Environmental, Social and Corporate Governance goals as one of the core tenets of businesses across the globe was spurred in 2005 when the UN Secretary-General Kofi Annan rallied leading financial institutions of the world to evolve frameworks that embodied these metrics. Today, investors around the globe use non-financial ESG metrics along with traditional financial metrics to evaluate corporations, identify material risks and determine the future long-term financial performance of companies.

The ESG criteria are a set of non-financial performance indicators along the dimensions of environmental sustainability, social responsibility, and corporate governance embedded deep within the strategy and operations of the organization.

Recently, the Securities and Exchange Board of India (SEBI) also announced mandatory disclosures through the Business Responsibility and Sustainability Report (BRSR) for top 1000 listed companies, and the Stewardship Code for mutual funds and alternative investment funds. These regulations in addition to substantial interest from the investor community and changing consumption-preferences of society at large are steadily driving ESG conversations to the boardrooms of companies across multiple sectors in India.



*Photo Credit: Tushar Patel, IIMA

MESSAGE FROM CHAIRPERSONS

Dear all,

It gives us immense pleasure to publish the first annual report of the Arun Duggal Centre for ESG Research (CESGR) at IIMA. CESGR aims to foster sustainable and ethical organizations that define the future of responsible capitalism in India, and we are pleased to report steady progress towards achieving our vision.

CESGR serves as a platform for cutting-edge research, education, and collaboration with industry and policy makers. We are also in the process of establishing collaborations with industry partners to promote ESG best practices and help integrate these considerations into their business operations. Our center aims to serve as a bridge between academic research and industry practice, promoting dialogue and collaboration that enable sustainable business practices to flourish.

To achieve these goals, we have initiated faculty-led research projects and provided opportunities for IIMA students to engage in industry-mentored projects. We are also working with key data-infrastructure players like Dun and Bradstreet to develop application focused ESG data products tailor made for India. These initiatives have enabled us to take steady and committed strides towards our mission of improving the ESG performance of organizations and nurturing an ecosystem for stakeholder capitalism in India.

CESGR is committed to contributing to the knowledge vertical powering the 'Net Zero' journey of organizations and cities in India. In partnership with PWC, we are contributing through research studies on the proposed carbon markets for India. Additionally, we plan to develop a framework for 'emission footprint' assessment for IIMA. Our center will help IIMA develop a sustainability plan and a net-zero roadmap in line with the newly included FT ranking dimensions on these lines. We believe these pioneering initiatives at IIMA could serve as a blueprint, which other similar educational institutions and universities may adopt.

We invite all of you to reach out to us to learn more about the current activities of the center and explore ways to collaborate on research, advisory projects, and training activities. CESGR is committed to making its contribution towards building a more sustainable future grounded in the principles of environmental sustainability, social justice, and good governance. We look forward to working with all members of our community as we take this important step forward in our commitment to sustainable and responsible management practices.

Thank you.

Sincerely,
Prof. Anish Sugathan & Prof. Naman Desai
Co-Chairpersons, CESGR

FOCUS AREAS

Driven by the mission statement, during its initial years of operation, the Centre shall focus on developing its capabilities in select areas of ESG integration - in line with global trends while being equally mindful of the contextual realities of India.

1. ESG Impact on Organizations: Materiality, Enterprise Value and Risk

A core focus area of CESGR will be to initiate and support empirically grounded research to contribute to the emerging state-of-the-art scholarship on how ESG factors impact organizations which includes – materiality assessment, impact on long term enterprise value, and overall risk profile of organizations.

2. ESG Reporting, Transparency, and Data Infrastructure

The ESG Centre will actively engage with multiple stakeholders to help develop the ESG data infrastructure, fine-tune the ESG measurement frameworks, reporting structures, and impact assessments methods to fit with the requirements of the Indian organizations.

3. ESG and Investment Stewardship

CESGR shall aim to develop an informative index of ESG performance that is empirically grounded and based on a deeper qualitative understanding of the operations and contextual factors for Indian enterprises.

4. ESG and Corporate Social Responsibility

The Centre shall support research and investigations to develop insights on linkages between the company's CSR initiatives, associated performance along ESG dimensions, and evaluation of the impact on overall enterprise value and risk profile.



CENTRE ACTIVITIES

Research and Insights

CESGR shall support research projects aligned with the core mission and focus areas. Research support could include competitive research grants, fellowships, and support for doctoral research. The Centre may also support data procurement and collection activities through surveys, interviews, and other electronic means to curate primary and secondary data to support research undertakings. A core research outcome shall be the development of an India specific ESG metric.

Training, Outreach, and Knowledge Dissemination

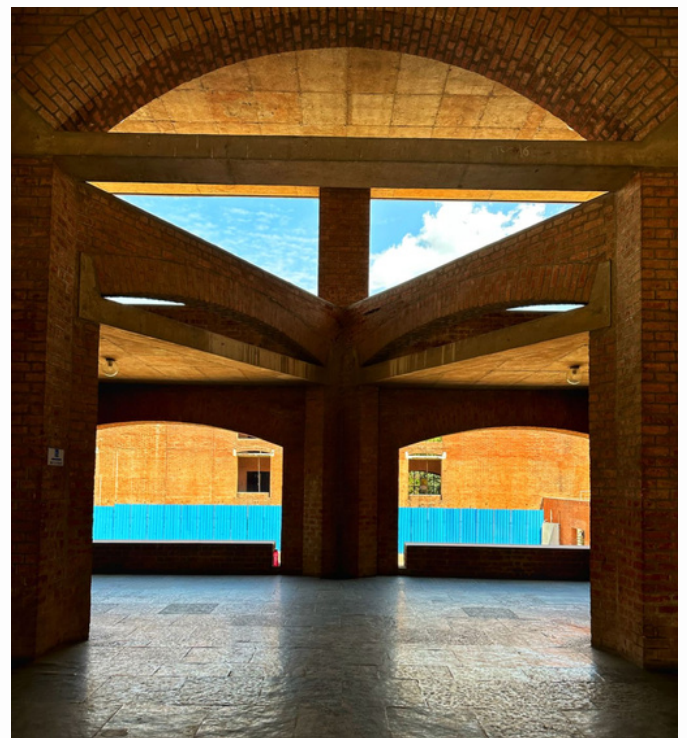
CESGR will support the design and development of teaching and training materials including but not limited to case studies, simulations, multimedia content, and other novel pedagogical tools. The teaching content and material developed shall be used in teaching and learning programmes conducted by the Centre and its affiliates. CESGR will conduct periodic outreach and knowledge dissemination activities like expert webinars, public talks, and panel discussions. It will also conduct a flagship annual conference on ESG, with the goal to become a thought leader and an influential platform for sharing research, insights, and conversations among scholars, practitioners, policymakers, and the media.

Advisory and Consulting

CESGR at IIMA will actively engage with companies, investors, and other organizations on short-term consulting projects and advisory services that leverage the core strengths and scholarship developed at the Centre. Advisory services will also include enterprise-level application of the metrics, methods, and frameworks developed at the ESG Centre.

Advocacy and Impact on Policy Design

The Centre will facilitate dialogue and knowledge sharing between the multiple public stakeholders in the country to help in evidence-based policy design and standards-setting for the ESG ecosystem in India.



*Photo Credit: Tushar Patel, IIMA

EXECUTIVE COMMITTEE MEMBERS



Anish Sugathan (Co-Chair)

*Associate Professor
Strategy*



Naman Desai (Co-Chair)

*Associate Professor
Finance & Accounting*



Abhiman Das

*Professor
Economics*

EXECUTIVE COMMITTEE MEMBERS



Chitra Singla

*Associate Professor
Strategy*



Rama Mohana Turaga

*Associate Professor
Public System Groups*



Sunil Sharma

*Professor
Strategy*

OUTREACH & KNOWLEDGE DISSEMINATION PLATFORM



Launch of PwC ESG Forum @ IIMA

IIMA, in collaboration with PwC India, announced the establishment of the 'PwC ESG Research Forum' on December 19, 2022. The purpose of this forum is to facilitate the exchange of knowledge and ideas among ESG stakeholders through a series of marquee events hosted by the Centre. This initiative is a contribution to India's commitment to the net zero agenda and upcoming BRSR regulations, with the aim of expanding and deepening the sustainability impact in the Indian industry.

With a distinguished faculty and impressive research credentials, the institute has spearheaded initiatives that can educate and shape scholarship, practice, and policy. As the importance of ESG discussions has grown beyond mere "purpose" or CSR for companies, the focus has shifted towards driving positive change with concrete plans for stakeholder capitalism. This forum will be instrumental in sparking meaningful conversations within the Indian ESG sphere and in promoting thought leadership in ESG research, industry applications, and timely policy interventions.

PRESS COVERAGE

IIM-A, PwC India join hands to establish ESG research and Innovation forum

1 min read · Updated: 19 Dec 2022, 08:06 PM IST

Saurav Anand



File Photo: Reuters

SYNOPSIS

- The platform will provide the action space for academia, industry, think tanks and policymakers to come together, deliberate on best practices and devise a roadmap that is aligned with ESG goals, globally, the company said

NEW DELHI : The Indian Institute of Management Ahmedabad on Monday said it has collaborated with PwC India to set up 'PwC ESG Research and Innovation Forum' at IIMA, which will help India achieve the net zero target by 2070.

PwC ESG R&I Forum to be set up at IIMA

Dec 20, 2022, 08:19 IST

189 PTS SHARE PRINT AA

YOU'RE READING



PwC ESG R&I Forum to be set up at IIMA



Alstom - The Country's Premier Metal Composite Panel Brand Collaborates...



Gujarat spent 1,751 per capita on health



Yellow fever vaccines: Dip in number of takers in Ahmedabad



Ahmedabad: PricewaterhouseCoopers (PwC) India joined hands with the IIM Ahmedabad (IIMA) to establish the PwC environmental, social and governance (ESG) research and innovation forum at the B-school.

Sanjeev Krishan, chairperson PwC India, and Prof Errol D'Souza, director of IIM-A, signed the MoU on Monday.

The forum has been set up for an initial period of five years and would focus on knowledge sharing and exchange among ESG stakeholders, said officials, adding the unique platform is a step towards contributing to India's commitment to the net-zero agenda and upcoming business responsibility and sustainability reporting (BRSR) regulations.



"ESG is gaining prominence in terms of the Government's agenda, be it achieving the Net Zero target by 2070, the NDC commitments for 2030, the extended product responsibility regulations and SEBI's BRSR regulations around reporting and disclosures. Achieving this requires a platform approach that brings together relevant stakeholders to ideate, align initiatives and develop roadmaps for achieving interlinked goals. Moving beyond strategy and expediting actions will be key to making an impact.

We are proud to join hands with IIMA to provide a forum to foster meaningful conversations, empower stakeholders with adequate research, enable thought leadership to build alliance ecosystems, and raise resources to plan and execute ESG-led transformation. We believe partnerships of this nature will play a significant role in bolstering the nation's ESG agenda and help in meeting the climate goals."

-Sanjeev Krishan, Chairperson, PwC in India

CESGR TIMELINE



1. WEBINARS




Inaugural Ceremony
Launch of Arun Duggal ESG Centre
for Research and Innovation

December 3, 2021
 5 p.m. Onwards
 Venue: CR-1, KLMDC

Speakers for the Launch Event

			
Arun Duggal Chairman, ICRA	Ajay Tyagi Chairman, SEBI	Brian Moynihan Chairman and CEO, Bank of America	Sanjeev Krishan Chairman, PwC India

Inaugural Ceremony: Launch of CESGR

On December 3, 2021, IIMA hosted an inaugural ceremony to launch the Arun Duggal Centre for ESG Research (CESGR). The Centre was established with generous support from Mr. Arun Duggal (Chairman, ICRA).

The keynote address for the inauguration was delivered by Shri Ajay Tyagi, Former Chairman of SEBI, followed by a fireside chat with Mr. Brian Moynihan, Chairman and CEO, Bank of America, and Mr. Sanjeev Krishan, Chairperson of PwC in India.

Launch of Research Report "The Glass Ceiling"



Launch of Research Report

"THE GLASS CEILING"

Leadership Gender Balance in Indian Companies

February 9, 2022

5.30 p.m. - 7.15 p.m.

Keynote Speaker



Mr K.V. Kamath

Former Chief,
New Development,
Bank of BRICS countries

Presenter



Mr Arun Duggal

Chairperson,
ICRA

Fireside Chat



Ms Indra Nooyi

Former Chairperson and CEO,
Pepsico

Project Lead



Professor Promila Agarwal, IIMA

On February 9, 2022, the Arun Duggal Centre for ESG Research (CESGR) at IIMA launched a Research Report on Leadership Gender Balance in Indian Companies titled, "The Glass Ceiling".

The keynote address at the online launch event was delivered by Shri K.V. Kamath (Former Chief, New Development, Bank of BRICS Countries), followed by a fireside chat with Ms. Indra Nooyi (Former Chairperson and CEO, PepsiCo), and recommendations by Mr. Arun Duggal (Chairperson, ICRA).

This report, led by Prof. Promila Agarwal, analyzes the Gender Balance at the Board of Directors, Top Management and Senior Executive levels in the top Indian companies. It also makes specific recommendations on "How the Gender Balance Can Be Improved" at all levels, over time by each company.

The launch of this report is going to serve as a landmark event to begin the systematic efforts by the companies and other organizations to improve Gender Balance at various levels over the next five, ten, twenty years. This is a major but necessary social change, which will significantly increase the effectiveness of organizations as they provide more opportunities to women at all levels.

2. ESG FORUM LECTURE SERIES



PwC ESG Research & Innovation Forum at IIMA

presents

Dialogue on ESG

with



Sanjeev Krishan

Chairperson, PwC in India



December 19, 2022



4:15 pm



P P Gupta Auditorium, New Campus

Hosted by:

Arun Duggal Centre for ESG Research (CESGR)

Mainstreaming ESG: A Fireside Chat with Mr. Sanjeev Krishan, Chairperson, PwC in India

On Dec. 19, 2022, IIMA, in collaboration with PwC, India announced the establishment of the 'PwC ESG Forum at IIMA'. The MoU signing was followed by a lively interaction where students got a chance to engage with Mr. Sanjeev Krishan, Chairperson, PwC in India, and talk about mainstreaming ESG frameworks and reporting, ESG opportunities for Indian corporates, the role of private businesses in ESG adoption in India, and emerging career opportunities in the ESG space.

The session was moderated by Prof. Anish Sugathan and Prof. Naman Desai, Co-Chairpersons, Arun Duggal Centre for ESG Research (CESGR).

Talk on ESG, Climate Change and Sustainable Development: The Path Forward

The Arun Duggal Centre for ESG Research (CESGR) under the PwC India ESG Forum at the Indian Institute of Management Ahmedabad had the pleasure of hosting a thought-provoking talk on "ESG, Climate Change, and Sustainable Development: The Path Forward" by Dr. Aniket Shah, Ph.D., Managing Director and Global Head of Sustainability Strategy at Jefferies Group LLC, on February 20, 2023.

Dr. Shah shared insights on the sustainability movement and the way forward for business and investor communities, emphasizing the role of a collaborative effort between public and private sectors, changes in consumer behavior, technology advancements, and financial architecture that supports sustainable development.

The poster features the IIMA logo (Indian Institute of Management Ahmedabad) and the Arun Duggal Centre for ESG Research logo. It includes the PwC logo and the text "PwC ESG Forum @ IIMA". The main title is "Talk on ESG, Climate Change and Sustainable Development: The Path Forward". The speaker is identified as "by Dr. Aniket Shah, Managing Director & Global Head of ESG and Sustainability Strategy, Jefferies Group LLC". A circular image shows the IIMA building. At the bottom, the date "February 20, 2023", time "04:00 pm", and location "CR-4, Main Campus" are listed.

About the Speaker:

Aniket Shah is a scholar and practitioner in the space of sustainable finance, whose career has bridged the public and private sectors.

Aniket Shah is the Managing Director and Global Head of Environmental, Social and Governance (ESG) and Sustainability Strategy at Jefferies Group LLC, one of the world's leading investment banks. In this role, Aniket leads the integration of ESG and sustainability analysis within the global investment bank, across corporate advisory, investment research and sales and trading.

SNIPPETS FROM ESG FORUM LECTURE SERIES



3. RESEARCH PROJECTS

- Title: Role of Company Secretaries in Shaping ESG Agenda in Indian Public Listed Companies: An Exploratory Study
Principal Investigator: Professor Biju Varkkey
- Title: Governance and Mission Drift
Principal Investigator: Professor Aditya Moses
- Title: ESG Performance and the Likelihood of Cross-Border M&A Deal Completion
Principal Investigator: Professor Chitra Singla

4. STUDENT RESEARCH PROJECTS

- Title: Evaluating the Impact of the EU Carbon Border Adjustment Mechanism (CBAM) on Indian Export Oriented Business
Students' Names: Aditi Das and Abhishek Nandan (PGP)
- Title: A Response to SEBI'S Consultation Paper on ESG Rating Providers for Securities Markets
Students' Names: Krishak Choukhany and Shubham Khanna (PGP)
- Title: Developing a Statistical Model of firm-level Carbon Footprint using financial data.
Students' Names: Elsi Mathew, Shreyashi Laha, Saurabh Kayal, Tushar Sinha and Partha Pain (ePGP-ABA)
- Title: Developing a Machine Learning based Statistical Index for Predicting Governance Quality of Indian Corporations
Students' Names: Dhaval Rao, K Aditya Srinivas, Sahil Aneja, Joyjit Das and Jaydeep Gupta (ePGP-ABA)

5. WORKING PAPERS

- Title: Shareholder Dissent on Ratification of Financial Statements: Does Earnings Quality Play a Role?
- *Desai N.K., B. Mishra, S.P. Kothari and S. Purohit*
- Title: How Well Do Shareholders Know Their Directors? An Examination of the Relationship Between Directors' Education and Experience and Shareholder Votes on Director Appointments
- *Desai N.K., B. Mishra, and S. Purohit*

MEET THE TEAM

Debashish Bose

Assistant General Manager

Suganya Sudhakar

Assistant Manager

Kandarp Mehta

Business Analyst

Ajaydeep Deora

*Research Assistant
(Operations)*

- **IIMA Sustainability Report**

The Sustainability Report of IIM Ahmedabad will provide a comprehensive overview of the institute's efforts towards sustainability in various areas.

- **Net Zero Readiness Survey**

To reduce carbon emissions, all industries need to have their net zero emissions plan on the same line as the national plan. Many companies already have their net zero plan but are they aligning with their timeline?

- **WhistleBlower Program**

A feasibility study of a WhistleBlower program for India similar to SEC WhistleBlower program.

- **ESG Subcommittee at the Board Level**

A review and study of ESG Governance at Board of Directors' level of NSE 200 companies.

- **Joint Location Specific ESG Performance Index**

Development of application focused ESG data products tailor made for India, in partnership with Dun & Bradstreet.

- **Series of Practitioner Webinars and ESG Forum Lecture Series**

- **Develop a research paper to be presented at CoP28 with a focus on Carbon Markets and Article 6 of the Paris Agreement**

- **Annual Sustainability ESG Conference (Green Finance Conference)**

The conference aims to bring together and create a platform for thought leadership on the evolving ESG reporting landscape in India. The proposed conference will comprise leaders representing the spectrum of stakeholders, from Regulators, Investors, Industry, Advisory & Assurance Services, and Data Repositories.

- **Knowledge Partners for Global Coastal Cities Summit 2023**

A G20 event that aims to address the pressing issues of future-proofing coastal cities, sustainable methods of controlling & combating flooding, as well as the cross-financing of efforts for adaptation and mitigation.

- **Doctoral Colloquium**

Focuses on research related to ESG issues and their impact on business, society, and the environment. PhD students from different disciplines would be invited to participate and present their research.

- **Network and Alliances**

1. IIM Bangalore-Centre for Corporate Governance and Citizenship
2. CII-ITC-Centre of Excellence Sustainable Development
3. FICCI
4. IIT Delhi-Centre of Excellence for Research in Climate Change and Air Pollution
5. IIT Kanpur-Just Transition Research Centre

CONNECT WITH US



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