

TerraGreen

₹70



Subscriber's copy

VOLUME 16 | ISSUE 7 | October 2023

TERRA YOUTH

Book Review: The Great Poop War

SPECIAL HIGHLIGHTS

The Burgeoning Problem of Trash Mountains
Devastation in Shimla

IN CONVERSATION

Jaya Vaidhyanathan
CEO of BCT Digital

Drinking Water Security in Gujarat

The Current Scenario



Contents

VOLUME 16 • ISSUE 7 • OCTOBER 2023

- 4 **NEWS**
- 12 **FEATURE**
Devastation in Shimla
- 18 **IN CONVERSATION**
Jaya Vaidhyanathan,
CEO of BCT Digital
- 22 **COVER STORY**
Drinking Water Security in
Gujarat
- 30 **SPECIAL REPORT**
The Burgeoning Problem of Trash
Mountains
- 34 **GREEN CHALLENGES**
Environment and the Double-
Edged Axe

- 37 **TERRA YOUTH**
- 46 **WILDLIFE**
Ladakh: The Land of Mystic and
Mystery
- 50 **SPECIAL FEATURE**
- 53 **BREAKTHROUGH**
- 56 **GREEN EVENTS**

12
FEATURE



30
SPECIAL REPORT



10 ENVIRONMENTAL
RESEARCH



37 TERRA YOUTH



22
COVER STORY





BCT Digital's Focus on Cleantech

Helping Organizations Stay ESG Compliant and Achieve Sustainable Growth

Jaya Vaidhyanathan is the CEO of BCT Digital, an award-winning global digital transformation company delivering disruptive FinTech, RegTech, and CleanTech solutions to large organizations across diverse industry verticals. Here, we are in conversation with Jaya for *TerraGreen*.

Please throw light on the ESG scenario in India: Rising prominence, emerging trends, regulatory environment, and way forward.

In India, environmental, social, and governance (ESG) factors are steadily gaining traction. There is increasing collaboration among government bodies and the corporate ecosystem to implement ESG principles, recognizing the urgent need to combat climate change and protect the country's natural resources. Regulatory authorities such as the Securities and Exchange Board of India (SEBI) have become instrumental in mandating ESG reporting, pushing it beyond mere compliance to focus on impactful, measurable outcomes. For example, Indian companies are taking initiatives to contribute to environmental sustainability by embracing renewable energy, waste management systems, and eco-friendly manufacturing processes. Technological solutions such as cleantech are also aiding these companies in better assessing and reporting their ESG contributions.

At the 2022 Conference of the Parties (COP26) held in Glasgow, United Kingdom, India even presented the following five essential elements of India's climate action bolstering its commitment to the sustainability agenda:

- Reach 500 GW non-fossil energy capacity by 2030
- 50 per cent of its energy requirements from renewable energy by 2030
- Reduction of total projected carbon emissions by one billion tonnes from now to 2030
- Reduction of the carbon intensity of the economy by 45 per cent by 2030, over 2005 levels
- Achieving the target of net zero emissions by 2070

However, the journey towards an ESG-focused business landscape is far from complete in India. While India has been proactive in launching several environmental and sustainability policies, such as the National Action Plan

on Climate Change and the National Clean Air Programme, what is missing is an integrated policy framework and a sense of urgency in execution. Moving forward, the key focus should be on establishing standardized frameworks, ensuring stringent enforcement, reinforcing accountability, and facilitating regular monitoring to achieve the desired impact in ESG initiatives.

Could you help us in understanding SEBI's push for ESG accountability and its positive implications?

SEBI has been instrumental in elevating ESG accountability within the country's corporate landscape. SEBI's recent push culminated in the mandatory Business Responsibility and Sustainability Reporting (BRSR) for India's top 1000 listed companies. This represents a significant shift from the earlier voluntary reporting frameworks and is in line with the Companies Act of 2013, which already had strengthened ESG disclosure requirements.

The BRSR framework covers an extensive range of sustainability-related information based on the National Guidelines on Responsible Business Conduct (NGRBC). The BRSR Core includes nine ESG attributes or key performance indicators covering wide topics such as greenhouse gas emissions to social welfare measures. Furthermore, this framework introduces a standardized reporting format and facilitates a direct comparison of companies' sustainability performance, empowering investors to make well-informed decisions.

SEBI's initiatives also include safeguard measures against greenwashing, such as requiring ESG schemes to invest a minimum of 65 per cent of their assets under management in listed entities that assure compliance with BRSR Core. This is complemented by mandates for third-party assurance and board-level certification for ESG compliance. Such accountability mechanisms are designed to ensure



Jaya Vaidhyanathan

transparency and authenticity in ESG investments. In addition, the regulatory body has proposed a framework for ESG rating providers, requiring them to consider local or emerging market parameters. These steps collectively enhance corporate accountability, encouraging companies to not only focus on reporting but also to actively improve their ESG performance. These moves have positive implications for responsible investing and long-term corporate sustainability in India.

What's your take on the rising importance of discussions around ESG in the boardroom?

There has been a pivotal shift towards responsible corporate behaviour, and the rising prominence of ESG in corporate boardrooms is indicative of the same. ESG is now integrated into the fabric of strategic governance. Companies are establishing board-level committees dedicated to ESG oversight and are investing in tools for monitoring, measurement, and compliance. Indian organizations are not just complying with local mandates such as SEBI's BRSR but are also aligning their practices with global standards set by bodies such as ISSB, GRI, and adopting cleantech-based ESG products to standardize

metrics, track performance, and report compliance effectively.

Investor engagement has been a significant driving force behind the push for ESG adherence. As responsible investment trends gain traction, investors are increasingly integrating ESG factors into their financial decisions. They are looking for standardized reporting frameworks, such as BRSR, to assess the long-term viability and sustainability of their investments. Emerging technology platforms provide a comprehensive overview of a company's ESG profile, thereby aiding not just compliance but also strategic decision-making. By fostering a more responsible corporate landscape, these developments in governance and technology are setting the stage for a sustainable future.

Please provide some insights on the recently announced BRSR framework for ESG reporting and impact on varied stakeholders.

SEBI's BRSR is a transformative development in India's ESG landscape. It requires India's top 1000 listed companies to mandatorily disclose a broad spectrum of sustainability-related information in their annual reports. The framework introduces a standardized reporting format, making it easier for investors to compare sustainability goals across different companies. A key feature is the BRSR Core, which introduces a limited set of KPIs for which companies must obtain reasonable assurance. This feature not only holds companies accountable for their sustainability practices but is also expected to bring an uptick in the overall level of ESG reporting. Significantly, the framework also mandates ESG disclosures and assurance for the entire value chain of listed entities, thereby broadening the scope of ESG accountability.

The BRSR framework also addresses some of the more contentious issues surrounding ESG investments, particularly the risks associated with greenwashing and incorrect selling.

By requiring validated assurances for companies' ESG claims, it adds an extra layer of credibility and authenticity to the reporting. The framework even prompts ESG rating providers to consider parameters specific to India or emerging markets, providing a more contextual and nuanced understanding of companies' ESG performance. For investors, this standardization serves as a robust tool for due diligence and risk assessment. For companies, it serves as both a roadmap and a gauge for aligning their business practices with sustainability goals. And for regulatory bodies and ESG rating agencies, BRSR sets a new, elevated standard for assessing ESG compliance and sustainability performance, making it a game-changing initiative for all stakeholders involved.

Please elaborate BCT Digital's ESG offering and how it allows corporates to understand, measure, and manage ESG risks?

rt360-ESG offers functionalities that streamline and automate the ESG compliance assessment process. It offers advanced analytics, dashboards, and stress testing to evaluate the impact of ESG factors on various business risks. rt360-ESG provides comprehensive solutions to help enterprises meet their sustainability objectives.

- **ESG Metrics Reporting – Automated metrics reporting with status**
rt360-ESG enables businesses to record, track, and report various ESG metrics, empowering them to enhance compliance. Organizations can manage the various metrics for different BUs as per frameworks and standards, align the KPIs to the BU and automate data collection, metrics monitoring, and reporting.
- **Analytics and dashboards – Automated ongoing tracking and reporting**
rt360-ESG streamlines the ESG compliance assessment process through advanced analytics and

interactive persona-based dashboards. It empowers organizations with data insights and analytics, enabling them to make informed decisions and drive continuous improvement.

- **Stress testing**
Additionally, it facilitates ESG stress testing, which assesses the impact of ESG factors on credit risk, market risk, and operations risk. By conducting scenario analysis and stress testing based on prescribed scenarios, organizations can proactively manage risks and drive sustainable practices.
- **Materiality assessments – assess baseline, identify gaps, and set targets**
Easily identify stakeholders to complete the materiality assessments, and generate materiality assessments dashboards to engage senior management and board leadership. rt360-ESG offers complete oversight and visibility for CXOs and senior management.

How is BCT Digital utilizing technology in helping organizations stay ESG compliant and achieve sustainable growth?

rt360-ESG is part of the rt360-Governance, Risk, and Compliance (GRC) suite, which has consistently topped Chartis Research RiskTech100 rankings. It comes with advanced AI/ML capabilities with predictive analytics, and future-ready architecture built on industry best practices. Our flexible deployment options, including on-premises, cloud, and hybrid, ensure compatibility with various IT infrastructures while offering budget-friendly total cost of ownership (TCO) and value for investment. We support companies in meeting their ESG-related disclosure and sustainability reporting requirements, ensuring compliance, and providing industry-specific reporting capabilities. Additionally, BCT Digital's focus on cleantech ensures that all of its solutions deliver a positive impact to India's sustainability roadmap. ■