

THE HORIZON

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02

Business & Human Rights - Mandate Emerging Globally for Companies

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BUSINESS & HUMAN RIGHTS - MANDATE EMERGING GLOBALLY FOR COMPANIES

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I. Introduction

Human rights cannot be cordoned off merely as a corporate social responsibility (CSR). In fact, it forms an integral part of all business operations, from human resources to procurement, regulatory measures to legal compliance, human interaction is a key element. For instance, when purchasing land, the human rights implications involves the company to consider resettlement of local populations. When starting a new factory, competition with the local community for water and other basic resources implicates human rights. When hiring human resources, as a reputational and legal liability, the Company must ensure workplace health & safety conditions and also lay emphasis on effective management of environmental impacts. While companies are seen to recognize human rights principles as a moral imperative to operate, there is further acknowledgement that respect for human rights can also serve as a tool for improving business performance.

II. Relationship between Business and Human Rights

Businesses regardless of their operations have an impact on communities worldwide. Such impact has both positive and negative

implications. Over the recent years, there have been many controversies revolving around contravention and negative impact of businesses on human rights. For instance -

- Exploitation of an individual's right to privacy by third party organizations or failure to maintain confidentiality due to loopholes in internal data protection systems;
- Setting up of factories or other business units without proper environmental clearances, thus leading to a compromise with respect to the right to a healthy environment;
- Prevalence of forced, compulsory or child labour by way of human trafficking or coercion is one of the biggest concerns faced in the corporate markets across the globe.

III. Business and Human Rights Due Diligence - Overview

2005 - Harvard professor John Ruggie was appointed to devise a framework on the human rights responsibilities of businesses

2008 - He introduced the "Protect, Respect and Remedy" framework outlining the State and companies duty to protect against business related human rights abuse

2011 - The UN Guiding Principles on Business and Human Rights, were presented to the Human Rights Council

2021 - The global standard celebrated its 10th anniversary

2022 - European Commission adopted the Corporate Sustainability Due Diligence & amendment to the Directive on the Protection of Persons who report breaches of Union law

1. About the UN Guiding Principles on Business and Human Rights (hereinafter referred to as ‘the Principles’)

The UN Guiding Principles on Business and Human Rights are applicable on a voluntary basis across all business enterprises, irrespective of the industry or business type or structure. The primary objective of the principles is to provide a set of comprehensive standards and practices focused on achieving tangible results in business and human rights, thus contributing to socially sustainable globalization. A significant aspect of the principles from the ESG perspective is its emphasis on the ‘S’ component that clarifies the roles and responsibilities for managing business related human rights risks and impacts.

Another crucial element of the Principles is the provision on human rights due diligence, which is the main management tool put forward for companies to execute and demonstrate respect towards human rights. While the concept of human due diligence was previously contested, it has become more widely acceptable since the last decade with countries gradually transitioning to mandating the same. The previous year i.e. 2021 witnessed countries’ new legislative mandates on companies to conduct human rights and decent due diligence work not only throughout their supply chain, but throughout all business relationships in their

value chain. The two countries who have adopted new legislations on human due diligence are –

i. Germany – On 03rd March 2021, Germany’s Federal Cabinet approved the Act on Corporate Due Diligence in Supply Chains, which is to come into effect from 1st January 2023. The Act is aimed at taking appropriate measures to respect human rights and the environment within their supply chains.

ii. Norway - Norwegian Parliament on 10th June 2021, adopted the Transparency Act which entails regularly conducting human rights due diligence, followed by publication of annual human rights statement and active response to third party requests pertaining to information regarding adverse human rights impacts. The Act shall come into force from 1st July, 2022.

June 2021 marked the first decade anniversary of the Principles by the UN Human Rights Council. In celebration of this occasion, the UN Working Group on Business and Human Rights launched a project to further drive and scale up implementation of the Principles over the next 10 years. The main components of the project consisted –

i. Assessing progress, gaps and analysing the various challenges, obstacles and opportunities associated with the implementation of the Principles over the last decade.

ii. The Working Group recognized the financial sector as a driving force for effective implementation of the Principles and therefore, recommendations made by the institutional investors and others in the investment community were taken into account as crucial contributors.

iii. Subsequently in November 2021, the ‘UNGPs 10+ Roadmap for the next decade’ of business and human rights was introduced,

with prospective recommendations for governments, businesses and others regarding advancing more robust policy action and change in the coming years.

2. Directive of the European Parliament and Council on Corporate Sustainability Due Diligence and Amending Directive on the Protection of Persons who report breaches of Union law (hereinafter referred to as ‘the Draft Directive’)

Over the years, there has been a conscious recognition of human rights and environment related impacts associated with business operations. Moreover, these components are considered crucial in achieving the UN SDGs (Sustainable Development Goals). However, in large set ups, it often becomes difficult to assess potential risks linked to the value chain. To address this concern, it is perceived that a due diligence process focused on identification of adverse impacts in value chains can help in formulating suitable human rights and environment related data readily available. In a Joint Declaration on EU Legislative Priorities for 2022, the European Union witnessed giving priority to key policy objectives including delivering an ‘economy’ for the people. Keeping in mind the far fetching adverse effects of the COVID-19 pandemic, EU endeavours to join forces in repairing and giving priority to social rights, ensure a level playing field with fair trade practices and facilitate access to capital for small and medium- sized enterprises, thereby striving to complete the banking union.

On 23rd February, 2022, the EU Commission

adopted the Draft Directive on requiring EU companies to carry out due diligence pertaining to human rights and environment related aspects. The Draft Directive submitted to the EU Parliament and the European Council for approval is set out to provide a horizontal framework to foster contribution of businesses operating in the single market by identifying potential adverse impact on human rights and environment through their activities in both, own operations and through their value chains. The Draft Directive once approved shall give each EU Member State two years to formulate national laws incorporating the Directive. Some of the integral components of the Directive include –

The Draft Directive requires large EU companies and also some non-European companies, carrying out significant business in Europe, to assess their actual and potential human rights and environmental impacts throughout the operations including the supply chains. Any form of non-compliance of the process shall attract penalty and civil liability.

The concept of human rights’ due diligence can be said to have found its base in the Principles (UNGPs) along with other global standards that align with ESG parameters. Based on estimations of the Commission, the Draft Directive is expected to apply to approximately 13,000 EU companies. The due diligence process is to be conducted to identify negative impacts that occur within the business operations and accordingly, incorporate corrective actions, for mitigation of risks and to minimize the extent of those impacts.

2.1. Article-wise description of the Draft Directive

Article 1 outlines the rules on obligations of due diligence to be adhered by companies with key focus on human rights and

environmental criteria. The process shall include not only the respective company's operations but also the operations of its value chain partners.

Articles 2 and 3 pertain to the scope of application of the Draft Directive and definitions, respectively.

Article 4 requires Member States to ensure that companies conduct the requisite process in compliance with provisions as set out under Articles 5 to 11 of the Draft Directive.

Article 5 - Implementing a due diligence policy and also ensuring integration of the same in corporate policies

Article 6 - Identification of actual or potential risks and adverse impact in both own and supply chain operations

Article 7 - Ensuring companies devise appropriate measures to curb adverse impact identified under the due diligence process

Article 8 - Take appropriate measures to end the identified adverse impact as per the due diligence process

Article 9 - Provide possibility to submit complaints in case of legitimate concerns associated with the value chain partners

Article 10 - Assess effective implementation of the due diligence process

Article 11 - Ensure publication of annual statement on official website including details pertaining to the outcome of due diligence process

Article 12 - Sets out obligations on the Commission to adopt guidance to help companies comply with the provisions to combat the identified adverse impacts

Article 13 provides support on how companies should fulfil their due diligence obligations; whereas **Article 14** provides accompanying measures to companies in the scope of this Draft Directive including operation of dedicated websites, portals or platforms to financially support SMEs and so on.

Article 15 encapsulates measures to adopt business models and strategies compatible with transitioning to a sustainable economy with limiting global warming to 1.5 °C in line with the Paris Agreement.

The subsequent **Articles 16 to 18** make provisions for authorized representatives to exercise powers for enforcement of certain obligations.

Article 19 establishes the right to raise an alarm against any company which is believed to be non-compliant with the obligations of the Draft Directive.

Article 20 - Lays down rules on sanctions applicable to infringement of national provisions adopted in pursuant to this Draft Directive

Article 21 - Entails details of establishing a European Network of Supervisory Authorities

Article 22 - Provides for civil liability on account of non-compliance

Article 23 - Facilitates reporting of breach and ensuring protection of reporting person

Article 24 - Companies seeking public support to certify no sanction imposed against them for non-compliance

Article 25 - Director's duty of care wrt to decisions pertaining to sustainability matters

Article 26 - Director's responsibility to set

up and oversee the due diligence process

Article 27 - Amendment by adding Sustainability Due Diligence and amending Directive (EU) 2019/1937

IV. Conclusion

The Draft Directive is formulated in alignment with provisions of the UN Guiding Principles on Business and Human Rights. Accordingly, it extends to the due diligence obligation across all levels of the supply chain. If integrated effectively, the regulation has the potential to lay down the

groundwork required to help companies curb adverse risks and proactively manage potential as well as actual impacts identified under the human due diligence mechanism.

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DETAILED ANALYSIS ON ESG FOCUS IN INDIA'S - UNION BUDGET: 2022 - 2023

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Summary

On 1st February, 2022, the Finance Minister of India presented the budget for 2022 - 2023. This year's budget demonstrates a continuing effort by the Government of India towards a more sustainable resilient economy. As per the announcements made during the budget speech, the Government is considered to have formulated strategies pursuant to due consideration of various elements such as the rapid influx of technological advancements, the urgent need to address environmental concerns and the various societal issues such as protection of human rights, empowerment of communities, etc. Some of the key features of the budget include initiatives focused on inclusive growth while being in alignment with different ESG (Environmental, Social and Governance) components.

In this article, we have tried to encapsulate the key elements of this year's budget and further detail out the various sector specific strategies prescribed for an overall economic growth.

1. Introduction

With the view to emerge at the top with respect to its ESG commitment, the nation has over the last year made substantial efforts focused on implementing robust strategies and initiatives that align with

the agenda to achieve sustainable growth. Moving forward, on 1st February, 2022 the Union Budget 2022 - 2023 was presented before the Lok Sabha by the Hon'ble Finance Minister, Ms. Nirmala Sitharaman. As a continuous effort from last year, the Budget 2022 - 2023 is expected to accelerate sustainable growth, promote digital economy, implement energy transition and climate action. It seeks to achieve macro-economic growth while focusing on micro-economic inclusive welfare development. Focused on capturing sector specific requirements, Budget 2022 - 2023 emphasises on the need for more employment opportunities and promoting participation of youth in various economic activities and future growth.

2. Recap of Budget 2021 - 2022 & ESG Initiatives

Drawing a parallel to last year's budget, during her speech at the Union Budget 2021-22, the Finance Minister encouraged the ESG propaganda by highlighting 6 pillars of the budget, which projected a framework of global acceptance, making India a liberal and attractive nation for trade and global supply chains passing through. The 6 pillars announced at Budget 2021 - 22 included -

1. Health & well-being
2. Physical & Financial Capital and Infrastructure
3. Inclusive Development for Aspirational India

4. Reinvigorating Human Capital

5. Innovation and R&D

6. Minimum Government & Maximum Governance

The underlying objective behind last year's budget was to create a space where India emerges as one of the fastest growing nations in the world to integrating a strong ESG framework across industries while aligning with the 17 UN Sustainable Development Goals.

3. Budget 2022 – 2023: Overview

The budget this year was set in motion with the nation celebrating Azadi Ka Amrit Mahotsav and entering Amrit Kaal which reflects the government's aim to fulfill vision India@100 by achieving specified milestones during the Amrit Kaal. PM Narendra Modi first used the word "Amrit Kaal" in 2021, at the 75th Independence Day celebrations, when he unveiled a unique 25-year blueprint for the country which entails –

3.1. PM GatiShakti

A game-changing strategy for long-term economic growth and development, the approach is led by modern infrastructure development which includes roads, trains, airports, ports, mass transportation, waterways, and logistics. Deemed as the seven growth engines, these elements are projected to work in sync to propel the economy ahead. Additionally, complementing responsibilities of energy transmission, IT communication, bulk water & sewerage, and social infrastructure are also expected to support these engines. The strategy further involves actions like clean energy and Sabka Prayas, which promise huge jobs and entrepreneurial opportunities for all, particularly the youth. Some of the

key elements under this strategy include –

3.1.1. Complete 25,000 km national highways in 2022 – 2023;

3.1.2. Provide multimodal connectivity between urban transport and railway stations;

3.1.3. Develop national ropeways development plans;

3.1.4. Popularize 'one station-one product' concept to help local businesses and supply chains;

3.1.5. The Energy Service Company (ESCO) business model will be used in large commercial buildings to accomplish energy efficiency. It will make it easier to build capacity and raise awareness for energy audits, performance contracts, and a common measurement & verification process.

3.1.6. Farmers belonging to Scheduled Castes and Scheduled Tribes, desirous of engaging in agro-forestry will also be given financial assistance.

3.2. Inclusive Development

Recognizing the importance of Nari Shakti as a herald for an optimistic future along with women-led development initiatives, the Ministry of Women & Child Development launched the following three initiatives, namely Mission Shakti, Mission Vatsalya, Saksham Anganwadi, and Poshan 2.0, to provide women and children integrated benefits. Saksham Anganwadis constitute the new generation of anganwadis that have sufficient infrastructure and audio-visual aids powered by renewable energy. They also provide a better environment for early childhood development. Under the project, two lakh anganwadis are expected to be modernized. Some of the key elements under this strategy include –

3.2.1. To make a significant Rs. 2.37 lakh crore direct payment to 1.63 crore farmers for procurement of wheat and paddy;

3.2.2. Promote post-harvest value addition, consumption and branding of millets production;

3.2.3. Implement the Ken Betwa Link Project which is expected to benefit 9.1 lakh hectare farm land;

3.2.4. Integrate the Raising and Accelerating MSME performance (RAMP) programme with outlay of Rs. 6000 Crore to be rolled out;

3.2.5. Establish a National Digital Ecosystem for Skilling and Livelihood (DESH-Stack e-portal) to empower citizens to skill, reskill or upskill through on-line training and play a significant part in digitally empowering individuals;

3.2.6. Develop a 'National Tele Mental Health Program' to improve access to high-quality mental health counselling and treatment services;

3.2.7. In 2022-2023, 80 lakh dwellings would be built for the PM Awas Yojana's identified eligible participants, both rural and urban, with a total of Rs. 48,000 crore set aside for this purpose;

3.2.8. According to the new tax advantage, if a disabled person's parent or guardian purchases a savings life insurance policy with the disabled person as the beneficiary, the parent or guardian is eligible for a deduction from gross income before tax, subject to certain requirements.

3.3. Productivity Enhancement & Investment, Sunrise opportunities, Energy Transition and Climate Action

The administration lays strong emphasis on the reinforcement of 'minimal government & maximum governance', public trust and

ease of doing business (EoDB), which has resulted in a drastic 25,000+ decrease in compliances and 1486 Union Laws repealed. The Amrit Kaal will be the focus of the next phase of EoDB 2.0 and Ease of Living. The government would follow the goal of 'trust-based governance' to improve the productive efficiency of capital and human resources. This new phase will be guided by the states' active participation, the digitization of manual procedures and interventions, integration of central and state-level systems via IT bridges, single-point access to all citizen-centric services, uniformity and elimination of overlapping compliances. Some of the key elements under this strategy include -

3.3.1. Allocation of Rs. 19,500 crore for Production Linked Incentive in manufacturing of high efficiency solar modules to meet the goal of 280 GW of installed solar power by 2030;

3.3.2. Five to seven per cent biomass pellets to be co-fired in thermal power plants:

- CO₂ savings of 38 MMT annually
- Extra income to farmers and job opportunities to locals
- Help avoid stubble burning in agriculture fields

3.3.3. Set up four pilot projects for coal gasification and conversion of coal into chemicals for the industry;

3.3.4. Government contribution to be provided for R&D in Sunrise Opportunities like Artificial Intelligence, Geospatial Systems & Drones, Semiconductor & its eco-system, Space Economy, Genomics & Pharmaceuticals, Green Energy, and Clean Mobility Systems;

3.3.5. Private sector will be encouraged to create sustainable and innovative

business models for battery and energy as a service, improving the efficiency in the electric vehicle (EV) ecosystem. A battery is the most expensive component in an EV, therefore, replacing it, will allow companies to lease or subscribe to it as a service, lowering the cost of owning and operating the car;

3.3.6. Launch a completely paperless, e-bill system for procurement purposes. The Finance Minister recommended a completely paperless, end-to-end online e-Bill System for use by all Central ministries for their procurements as an additional move to improve transparency and eliminate payment delays;

3.3.7. Adoption or linkage of National Generic Document Registration System (NGDRS) with the 'One-Nation One-Registration Software' to promote the option of a uniform process for registration and 'anywhere registration' of deeds & documents;

3.3.8. Enhance the scope of PARIVESH, a web based, role based workflow application developed for online submission and monitoring of the proposals submitted by the proponents for seeking Environment, Forest, Wildlife and CRZ Clearances from Central, State and district level authorities. The scope of this portal will now be expanded to enable application for all four approvals through a single form, and tracking of the process through Centralized Processing Centre-Green (CPC-Green).

3.4. Financing of investments

In the face of current uncertainties, the goal remains to encourage both private and public investment in the country and therefore, the Finance Minister stressed upon the criticality of public investment, which is expected to lead the way, assist in

maintaining flat private investment levels and demand in the coming fiscal year. To this effect, the outlay for capital expenditure in this budget has been significantly stepped up by over 35.4 per cent from INR 5.54 lakh crore in the current year to INR 7.50 lakh crore in 2022-23. This announcement reflects the government's aim of accelerating the virtuous cycle of investments and growth, especially in the context of the coronavirus pandemic. Furthermore, the government plans to issue Sovereign Green Bonds for mobilizing essential resources for green infrastructure. The proceeds from these bonds will also be deployed in public sector projects, thereby contributing towards decarbonising of the economy. Some of the key elements under this strategy include -

3.4.1. In 2022-23, allowing States a fiscal deficit of 4% of GSDP, of which 0.5% will be tied to power sector reforms;

3.4.2. Introduction of Digital Rupee by the Reserve Bank of India starting 2022-23;

3.4.3. Allocation of Rs. 1 lakh crore in 2022-23 to assist the states in catalysing overall investments in the economy: fifty-year interest free loans, over and above normal borrowings;

3.4.4. R&D Incentives for Start-ups: In view of the pandemic, FM proposed to extend the period of incorporation of eligible start-ups by one more year up to 31-3-2023 for providing tax incentives;

3.4.5. Earlier the government offered a 15% tax reduction for newly incorporated domestic manufacturing enterprises. The deadline for starting manufacture or production under section 115BAB has been extended by one year i.e. from 31.03.2023 to 31.03.2024.

4. Budget 2022 – 2023 in a nutshell

The budget is deemed to have a futuristic scope with the Government being on a continuous path to support India's journey towards becoming a more resilient economy. The key themes under the Budget 2022 – 2023 largely demonstrates the Government's focus on integrating an approach that is ESG aligned. As described above, the four major components for the year lay emphasis on –

1. Enhancing capex and productivity viz. infrastructural developments, promotion of export and encouraging new businesses;
2. Announcing schemes and initiatives that support inclusive and sustainable growth for the micro, small and medium enterprise (MSME) sector. Taking additional efforts to facilitate agricultural growth, skills development, affordable housing and undertaking required measures to achieve carbon neutrality;
3. Facilitating ease of doing business by integrating resources that are aligned with digital advancements and accelerate technical growth;
4. Taking societal elements into consideration, promoting social well-being with announcements in accessing improved healthcare services, water facilities, supplementary education in regional languages and constituting a digital university.

As per data released by the National Statistical Office, which is used as the base for curating the budget, projected that India's GDP in FY 2021 declined by 7.3% on account of the pandemic and its related restrictions. However, with the current market trends and lesser restrictions, India's GDP is estimated to be 1.3% higher than FY 2020, thus, indicating a slight growth from the pre-pandemic stage.

5. Specific initiatives and development strategies in alignment with UN SDGs

5.1. Urban development

In continuation and in the spirit of AmritKaal, the nation by the time is @ 100, nearly half of the Indian population is likely to be living in urban areas. To orderly prepare for this, urban development is of critical importance and thus, it is essential to nurture the megacities and their hinterlands to become current centres of economic growth. In the future, we are expected to re-imagine our cities as centres of sustainable living with opportunities for all. To execute such urban planning, the nation needs to steer a paradigm change. Furthermore, to develop India specific knowledge in urban planning and design, to deliver certified training in these areas, up to five existing academic institutions in different regions will be designated as centres of excellence. These centres will be provided endowment funds of ₹ 250 crore each to lead and improve syllabi, quality and access of urban planning courses in other institutions. The efforts announced by the Government focused on urban development which can be mapped against SDG 11 (Sustainable Development Goals), that talks about Sustainable Cities and Communities. Focused efforts on improving resource optimization and adopting green energy systems can help overcome major environmental & societal impact and accelerate the sustainability journey for the nation.

5.2. Healthcare and pharma

The pandemic reinstated a renewed sense of realisation and acceptance around mental health and well-being. Numerous studies over the past two years suggest the urgent need to address mental health, which have aggravated globally during the pandemic. The initiative to upgrade

and increase the number of angadwadis in the country is deemed to create an enabling environment, which will improve accessibility and approachability by a larger section of the society. With the Har Ghar, Nal Se Jal scheme, the Government aims to eliminate/ curb communicable diseases and also address issues relating to hygiene and sanitation. Furthermore, the Government is also looking at contribution to research and development on topics like pharmaceuticals and genomics.

5.3. Infrastructure and logistics

The Government has identified 7 key engines that are expected to drive PM Gati Shakti and thus, accelerate the implementation of infrastructure development. In order to align with technological advancements, the upcoming infrastructure projects are to include data centres and energy storage systems. Particular emphasis is made on transport infrastructure and logistic sector. It is further given centre stage to avoid any delay or lack of coordination pertaining to fast delivery of such projects. The Budget also demonstrates how the Government has taken account of technological advancements and accordingly, expects the logistics sector to take a substantial leap in creating technology-led solutions, thus leveraging underlying data. This focused approach on infrastructure and logistics is in line with the SDGs, more particularly in alignment with SDG 9 – Industry, Innovation and Infrastructure. The sector plays an instrumental role in helping improve the nation's GDP and the initiatives announced around the same, reflect how the Government aims to integrate increased resources to use efficiency and adopt more environmentally sound technologies and processes to achieve more resilient, reliable and sustainable output.

5.4. Aerospace and defence

A significant budget of INR 3,853.7 bn (excluding pension) denotes an increase of 11% compared to the FY 2021–22 budget (4.6% compared to the revised estimate for FY 2021–22). The Government has also emphasised on the importance of integrating sunrise opportunities including artificial intelligence, geospatial systems, drones and semiconductors, expecting to meet the requirements of Armed Forces for future warfare. With the Government investing in innovation and developing conducive policy environment for, inter alia, industrial diversification and value addition to commodities, the efforts support the nation in achieving SDG 9 – Industry, Innovation and Infrastructure. Furthermore, advancement of these sectors will also reflect positively on SDG 13 – Climate Action on account of integration of cleaner and more sustainable processes.

5.5. Automotive

An underlying focus of the Budget this year has been creating multi-nodal connectivity and to support the same, the Government will be formulating a battery swapping policy to encourage the use of electric vehicles, improve transport network and encourage the goals of decarbonisation. Reiterating intent to reduce dependency on crude oil, major aspects of the Budget included adopting alternative energy systems such as solar power, waste to energy initiatives, etc. The renewed strategies are expected to motivate businesses engaged in delivery and car aggregation to transition to electric output into their fleet of services. This will drive up the scope of development for future growth and development.

5.6. Industrial products

One of the significant announcements pertains to the expansion of the national highways network by 25,000 kms in 2022 – 2023. The Government has further proposed a balanced approach of phasing out of

import duty concessions for capital goods and machineries in sectors such as chemicals and textiles. While this approach will have short-term adverse impact of increasing capital expenditure, it will also enhance resilience in the overall supply chain besides boosting demand for the capital goods sector. Adopting the proposed approach positively, supports the propaganda under SDG 12 – Responsible Consumption and Production, which can be achieved by sound management of chemicals and all wastes throughout the lifecycle of the products, aligning with global frameworks to reduce its adverse impact on human life and the environment.

5.7. Digitization and telecommunication

The budget announced integration of the National Generic Document Registration System (NGDRS) with the ‘One-Nation One-Registration Software’ to promote an option for uniform process of registration and ‘anywhere registration’ of deeds & documents. Furthermore, to encourage effective use of land resources, the States will be encouraged to adopt the Unique Land Parcel Identification Number to facilitate IT-based management of records. These initiatives suggest effective consolidation of data, while supporting paperless processing. The schemes around digitization reflect a parallel commitment towards SDG 12 – Responsible Consumption and Production. Focusing on the telecommunication sector, the Government will launch a scheme for design-led manufacturing to build a strong ecosystem for 5G as part of the Production Linked Incentive Scheme. Moreover, the Government aims to encourage sunrise opportunities which include artificial intelligence, geospatial systems & drones, space economy, green energy and clean mobility systems. The nation, focusing on such sunrise opportunities, demonstrates immense potential to support sustainable development and also encourage employment opportunities. The effective

implementation of the prescribed scheme and opportunities, requires entering into strong partnerships, thus, setting the tone for achieving SDG 17 – Partnerships for the Goals. This constitutes an important step towards transition in sustainable development through global and collaborative effort.

5.8. Energy transition

The budget this year saw the Government making significant commitments towards sustainable development and promoting integration of strategies focused on low carbon development. An allocation of 19,500 crore is to be made for Production Linked Incentive for manufacture of high efficiency modules, with priority to fully transform manufacturing units from polysilicon to solar PV modules. Furthermore, the prospective four pilot projects for coal gasification and conversion of coal into chemicals are to be evolved technically and made financially viable. The aim is to encourage policies and required legislative changes to promote agro forestry and private forestry along with provision of financial support to farmers belonging to Scheduled Castes and Scheduled Tribes, who want to take up agro-forestry.

6. Conclusion

This year, major focus is given to empowerment of different sections of the society, such as the youth, women, farmers and other indigenous communities. Formulated on the backdrop of last year’s budget and in accordance with the numerous efforts undertaken by the Government since 2014, the budget lays a blueprint for effective implementation of a futuristic propaganda for development. In this article we aim to capture various strategies and initiatives that the Government intends to manifest in order to facilitate economic transformation, multimodal connectivity and incorporate strong framework to achieve desired ESG compatible goals.

THE PODIUM



THE PLANET PEOPLE PROGRAM (PPP)

India's 1st Industry - Academia Human Chain Commitment towards Sustainability

#esgfit

Official Launch Ceremony - 8th April 2022



A revolutionary project designed to facilitate a common platform for young students/budding lawyers to voice their opinions, undertake initiatives and put in action desired plans to address the global climate crisis and other critical issues pertaining to the well-being of the planet and people.



Guest Speaker

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Dhir & Dhir Associates launched The Planet People Program (PPP) on 8th April, 2022 in collaboration with Uttarakhand University and FICL to promote the efficient integration of Environmental, Social and Governance (ESG) principles into our day-to-day activities and initiatives. India's 1st Industry - Academia Human Chain Commitment towards Sustainability, PPP charter is a revolutionary project designed to facilitate common platform for young students/ budding lawyers to voice their opinions, undertake initiatives and put in action desired plans to address the global climate crisis and other critical issues pertaining to the well-being of the planet and people.

For more details write to
lcdyps@uttarakhanduniversity.ac.in

DME Delhi Metropolitan Education
Affiliated to GGSIPU, New Delhi & Approved by Bar Council of India

DME INTERNATIONAL MOOT COURT COMPETITION, 2022
1st - 3rd April 2022

VALEDICTORY CEREMONY
3 April 2022 3:30 pm onwards

Chief Guest
Hon'ble Justice Shashi Kant
Former Judge
Allahabad High Court

Guest of Honour
Mr. Sonal Verma
Partner
Dhir and Dhir

Hon'ble Mr. Justice Bhanwar Singh
Former High Court Judge
Director General, DME

Prof. (Dr) Rashmi K Nagpal
Dean
DME Law School

Knowledge Partner:
Dhir & Dhir 25 YEARS
Advocates & Solicitors

Meeting ID: 889 2108 4743
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Delhi Metropolitan Education (DME) organised International Moot Court Competition, 2022 on April 3, 2022. The Chief Guest of the event was the Hon'ble Justice Shashi Kant (Former Judge of the Allahabad High Court) and the Guest of Honour was Mr. Sonal Verma, Partner, Dhir & Dhir Associates.

Dhir & Dhir Associates in collaboration with SimuLegum organised a Mentorship Program on Environmental, Social and Governance (ESG) Principles on the 10th and 11th March, 2022. Top 10 candidates were given certificates and 3-months internship opportunity with Dhir & Dhir Associates.

Save the date!
10th and 11th March 2022

Dhir & Dhir 25 YEARS
Advocates & Solicitors

SIMULEGUM

Mentorship Program on Environment, Social, and Corporate Governance by Dhir & Dhir Associates and SimuLegum

- 3-months internship opportunity to the top 10 candidates with Dhir & Dhir Associates.
- Simulation-based practical assessments.
- First law firm certified mentorship on ESG in the Indian market.

E climate change, carbon intensity, energy efficiency

S health & safety, human rights, working conditions, employee diversity

G executive pay, board diversity, business ethics, investor relationships

and more...

MENTOR- MR. SONAL VERMA, PARTNER - ESG & GLOBAL LEADER - MARKETS & STRATEGY, DHIR & DHIR ASSOCIATES

Certificate of Completion

This is awarded to
Anushaka Sharma

for completing the ESG Mentorship Program under the esteemed guidance of Mr. Sonal Verma, who is a Partner - ESG & Global Leader (Markets & Strategy) at Dhir & Dhir Associates and well acclaimed for his work in regulatory & compliance programs over the last decade.

Mr. Sonal Verma
Partner - Dhir & Dhir Associates

Ms. Deeksha Sharma
Founder Simulegum

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Expert Speaker

Sonal Verma
Partner - ESG & Global Leader
(Markets & Strategy)
Dhir & Dhir Associates

Date:
25th Nov, 2021
Time:
10.00 to 16.30 IST

India's Largest CFO Gathering to recapture growth. Supercharge Technologies and Turbocharge skill sets to Support 2022's Finance Growth Agenda

Learning Experience Partner Knowledge Partner ESG Knowledge Partner Employee Rewards and Recognition Partner Conceptualised and Curated by

Dhir & Dhir Associates in collaboration with Franklin Templeton organised the 2nd Edition of The CFO Vision & Innovation Summit & Awards 2021 on November 25, 2021. Mr. Sonal Verma, Partner – ESG & Global Leader (Markets & Strategy), Dhir & Dhir Associates was the expert speaker at the summit.

ESG DECIBELS

PODCASTS FOR YOU.

**Sustainability and Fashion -
Key ESG Boosters**

NIVEDITA SABOO
Founder
Nivedita Saboo Couture

SONAL VERMA
Partner
ESG Advisory

Dhir & Dhir
Advocates & Solicitors
25 YEARS

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SUSTAINABILITY AND FASHION - KEY ESG BOOSTERS

Nivedita Saboo
Founder, Nivedita Saboo Couture

ESG Decibels Series presented Sustainability & Fashion - Key ESG Boosters with special guest speaker Nivedita Saboo - an ardent advocate of adaptive, inclusive, and sustainable fashion. Nivedita has showcased at London Fashion Week, Paris Fashion Week, Milan, Hong-Kong, Seoul, Colombo Fashion Week, and major cities across India; Designer to Warner brothers - the Wonder Woman India enterprise, numerous corporates, institutions, policymakers, media barons and influencers globally, Nivedita Saboo has marked her 18 exciting years in the industry.

PODCASTS FOR YOU.

**ESG & Directors -
An Interplay of Roles**

MANOJ K. RAUT
CEO and Secretary-General
Institute of Directors, India

SONAL VERMA
Partner,
ESG

Dhir & Dhir
Advocates & Solicitors
25 YEARS

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ESG & DIRECTORS - AN INTERPLAY OF ROLES

Manoj K. Raut
CEO and Secretary-General,
Institute of Directors, India

ESG Decibels Series presented ESG & Directors - An Interplay of Roles. We demystify how Directors have accepted ESG as a concept and embraced it. Manoj K. Raut, CEO and Secretary-General, Institute of Directors, India joins us in this enlightening conversation. He believes that sustainability is the future and that there is a need for R&D in India. He also believes that India has started the journey and is on the right path to achieve wonders when it comes to ESG. Raut joined Institute of Directors, India as a Management Trainee in the year 2000 and later on, in the year 2010, he was elevated as CEO of the Institute of Directors, India and also as Secretary-General. Currently he is also on a few not-for-profit Boards including on the boards of World Environment Foundation and International Academy of Law besides the Editor of Director Today - A Monthly Journal of IOD.

Tune In & Listen to
Our Handpicked Conversations

SJOERD MARIJNE
Former Coach,
Indian Women's
Hockey Team

SONAL VERMA
Partner,
ESG

Dhir & Dhir
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POWER JOURNEY OF DIVERSITY!

Sjoerd Marijne
Former Coach,
Indian Women's Hockey Team

This podcast in the ESG Decibels Series is with the former coach of the Indian Women's Olympics Hockey Team 2021 - Sjoerd Marijne - a dynamic personality in the global sports domain. Sjoerd speaks about his mindset when he started coaching and overcame obstacles to create a strong team. He identified the individual team members' characteristics, nurtured them to enhance the positivities and guided them to succeed. Sjoerd encourages us to control what is possible and not fret over the uncontrollable. He is a true inspiration to millions across the globe. His contribution to the Indian Hockey is immense. Take for instance the Tokyo Olympics, where India women's hockey team could not win medal but won a billion hearts. He is proud of his team and they have inspired a million girls back home despite not finishing their stunning campaign with a medal.

Tune In & Listen to
Our Handpicked Conversations

AMEYA PRABHU
Managing Director,
NAFA Capital

SONAL VERMA
Partner,
ESG

Dhir & Dhir
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25 YEARS

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ESG & INVESTING

Ameya Prabhu
Managing Director NAFA
Capital

This podcast captures a lively and riveting discussion between Sonal Verma - Partner - ESG & Global Leader-Markets & Strategies, Dhir & Dhir Associates and a dynamic entrepreneur - Ameya Prabhu who is the Managing Director of NAFA Capital and recognised as a young leader by World Economic Forum. The discussion starts with Sonal setting the tone about ESG and its importance with the recent COP26 summit. Ameya speaks about the importance of ESG, initially explaining very briefly about the impact of business on Environment and then weaving in relevant aspects of significance. The discussion progresses to highlight 'ESG & investing', where Ameya speaks about very pertinent facets of ESG and investors' mindsets. The last discussion point revolves around the regulatory aspect of ESG. The entire podcast highlighted the importance of ESG and has piqued our interest in waiting for more insightful sessions in this series.

RANKINGS





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COVERAGES

BRSR & India's Ever Evolving ESG Regulatory Landscape by Sonal Verma and Fauzia Khan

13th September, 2021 - Over the past decade and a half, the Environmental, Social and Governance (ESG) journey has seen significant progress. With the UN Secretary General Kofi Annan in 2004 encouraging integration of ESG disclosures into capital markets to implementation of various global performance standards to the latest developments in 2021, ESG has gained prominence across the globe. Nations all around are seen to have picked up the momentum on imposing mandatory reporting and disclosure requirements by corporates on different ESG aspects.

[Read more at FICL.org.in](#)

FUMING !!! by Sonal Verma and Manasi Deshpande

24 August 2021 - Environmental, Social and Governance (ESG) is of increasing importance for companies in the global supply chain. Post August's IPCC Report on global warming & climate change it's become more imperative to control green house gases & pollutants in an aggressive manner. As part of corporate responsibility & sustainability initiatives, Indian companies would need to incorporate pro-active steps in monitoring & reducing various pollutants in their supply chain. Below is a synopsis of the pollutants and an analysis of them to help professionals design programs to deter further climatic catastrophes & irreversible changes. [Read more in Mondaq](#)

Can more sales be achieved by being ESG Compliant?

6th July, 2021 - The construction sector has a substantial impact on most of the industries across the globe, especially on account of the industry having relatively high exposure to environmental impacts, social risks and governance issues (ESG).

[Read more at Construction World magazine](#)

Workplace Safety & Public Liability Insurance Act - A Ready Reckoner With Special ESG Insights by Sonal Verma and Fauzia Khan

25 June 2021 - The advent of the industrial revolution had triggered the social impact of accidents in manufacturing plants. With the evolution of sophisticated manufacturing product lines and implementation of heavy machinery, chemicals, and robotic engineering - the risk for humans deployed is high. India has strived to keep the workplace safety component intact and established the Public Liability Insurance Act in 1991.

[Read more in Mondaq](#)

National Workshop held on “Environment, Society and Governance” at Uttarakhand University

Dehradun, April 08 (HTNS): A national workshop on the topic “Environment, Society & Governance” was organized at Law College Dehradun, faculty of Uttarakhand University. Partner of prestigious Law firm, Dhir & Dhir Associates, Sonal Verma was the Chief Guest on the occasion. About 225 participants participated in the workshop. Apart from Uttarakhand University Dhir & Dhir Associates, The Planet People Programme, E.S.G. and Federation of Indian Corporate Lawyers registered into an institutional participation.



ed that in the current scenario, companies and institutions of any country are evaluated on the basis of parameters of Environmental, Social and Governance. “In future, companies adhering to E.S.G standards alone

and would have a bright future”, he further maintained.

Chancellor of the university, Jintender Joshi observed that making students adept in the principles of E.S.G. and ensuring observance

university. “Uttarakhand University has been evaluated as A+ on the parameters of E.S.G. which is a matter of great satisfaction to us”, he further stated. The Chief Speaker of the event Sonal Verma remarked

is a global movement. Future programmes of Govt. of India is based on this. He explained the implementation, significance and rational of newly developed conception of E.S.G. which is gradually evolving as the basis of global investments. On this occasion, First Industries of India – Academia Human Chain – Planet People Programme was inaugurated.

Those present on the occasion were Dr. Poonam Rawat, Iqbal Singh Sahwney, Saunabh Sharma, Sachin Bhardwaj, Dr. Shikha Gairola, Dr. Vaibhav Uniyal, Dr. Vibha and

Importance of New Business Responsibility & Sustainable Reporting Framework by Sonal Verma and Fauzia Khan

17th May, 2021 - It is no secret that business operations across industries have a significant impact on various environmental, social and governance aspects. As employers/ members of the Board, it falls within their purview of responsibility to not only safeguard the interest of all the stakeholders but also hold them accountable for their contribution towards sustainable use of resources and further adhering to the requisite legal and statutory compliances.

[Read more in Mondaq](#)

Workplace Safety In India & ESG Principles: Are They Aligned? by Sonal Verma and Fauzia Khan

March, 2021 - Every year, March is very crucial to the manufacturing industry in India as it is observed as the Safety Week Month. Globally, the principles of ESG (Environment, Social & Governance) are finding its way into the work life of every company. Indian companies also are getting aligned to principles laid down by UN SDG, IFC, GRI, etc. With the Covid-19 pandemic, companies have further realised the importance of sustainable business and ESG Principles. Most important is the wellbeing of employees (full time/part time or agency workers). The importance of ‘S’ in ESG has come to the forefront in the last 12 months and reiterating that ESG is not only about climate change!

[Read more at promfgmedia.com](#)



Dhir & Dhir Associates is a leading full-service law firm in India serving as a single-window legal and regulatory advisor globally. It has offices in New Delhi, Mumbai, Hyderabad and a representative office in Japan. The firm's areas of practice include Restructuring and Insolvency, Corporate/Commercial Advisory and M&A, Real Estate, Banking and Finance, Dispute Resolution, Capital Markets, Infrastructure & Energy, Environmental, Social & Governance, IPR, Technology, Media & Telecommunications, Employment Law and Consumer Law.

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