



ESG Market Pulse: India

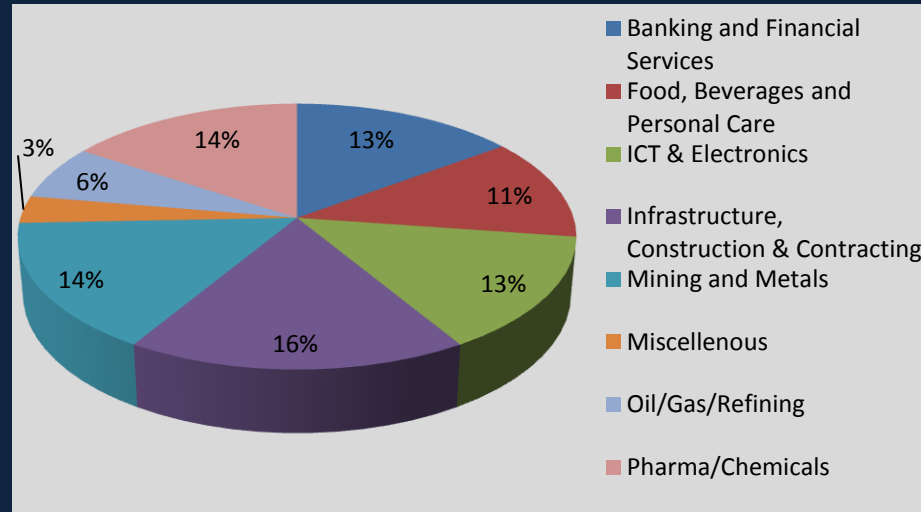
Provided as an industry resource by the ESG and Responsible Investment Working Group of the Sustainable Business Leadership Forum

Q2 2014 – Apr – Jun

ESG India Dashboard is your tool to:

- Track Environmental, Social and Governance (ESG) related actions, news and disclosure of top listed and Indian businesses
- Monitor key ESG Risks and Opportunities facing Indian Businesses
- Obtain ESG Snapshot of 8 high risk sectors – synopsis prevailing sectoral trends and its impact on company valuations

Sectoral Breakdown of Companies tracked in the Quarter



200 news items / disclosures made across 100 companies in the period

Key ESG issues in this period include

- Regulatory announcements and actions were the most prevalent trend during the period; they ranged from companies facing the rap for not meeting tree plantation targets to several companies facing closure of their factories / mines / production units – these included Coca-cola, Adani Enterprises, BHEL, etc. Several new Renewable Energy plants were launched / announced in the period, including hydro power plants by BHEL in Uttarakhand and Himachal Pradesh – considering the recent tragedy near Rishikesh, involving Bangalore college students, these are facing and are likely to continue facing resistance from environmentalists
- Strikes and work stoppages continued, not only in the Automobile sector (Bajaj auto) but also other sectors – Asian Paints, Indian Oil
- The new govt, in its attempt to narrow the fiscal deficit, is exploring break-up and privatization of Coal India

Market Movers: ESG Winners / Losers

Environment

- NDMC rose 4% on news of it getting nod for ore plant, slurry pipeline
- All the companies that announced major renewable energy projects saw their shares rising - NHPC shares rose 12% on news of new contract in solar with the Kerela Govt.

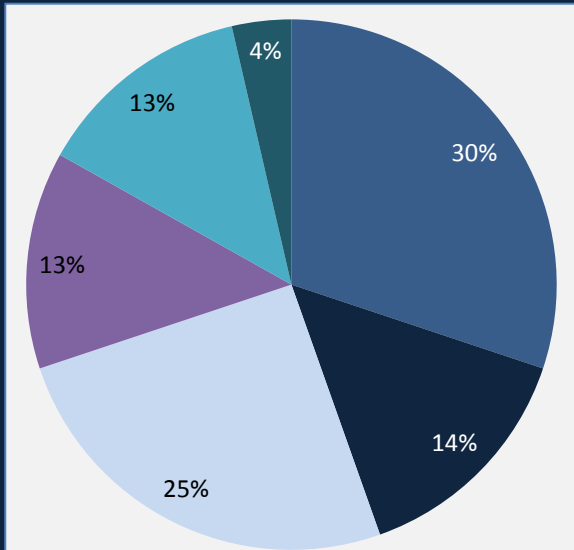
Governance

- MSCI shares continued to fall over the period – the shares fell 3.29% as news of PWC report citing irregularities in related party transactions was released

Social

- Bajaj Auto's shares fell 4.5% on the news of the union deferring its strike just as a tactical move of ahead of tribunal ruling
- Sun Pharma fell by 1.65% as the company came under the scrutiny of USFDA
- GlaxoSmithKline Consumer Healthcare's shares rose 3.77% as the company announced that it is eyeing rural market

ESG Opportunity Breakdown



- Accessing new markets
- Building reputation capital
- Operational efficiency
- Product innovation
- Reducing operational risk
- Reducing regulatory risk

Accessing New Markets → 30%

Penetrating previously underserved markets

Operational Efficiency → 14%

Implementing systems / technologies which lower energy & resource consumption

Building Reputation Capital → 27%

Undertaking actions which reinforce overall brand value and trust with consumers and suppliers

Product Innovation → 13%

Bringing new products to market which tackle uniquely Indian social and environmental challenges

Reducing operational risk → 13%

Implementing systems and technologies which eliminate risk

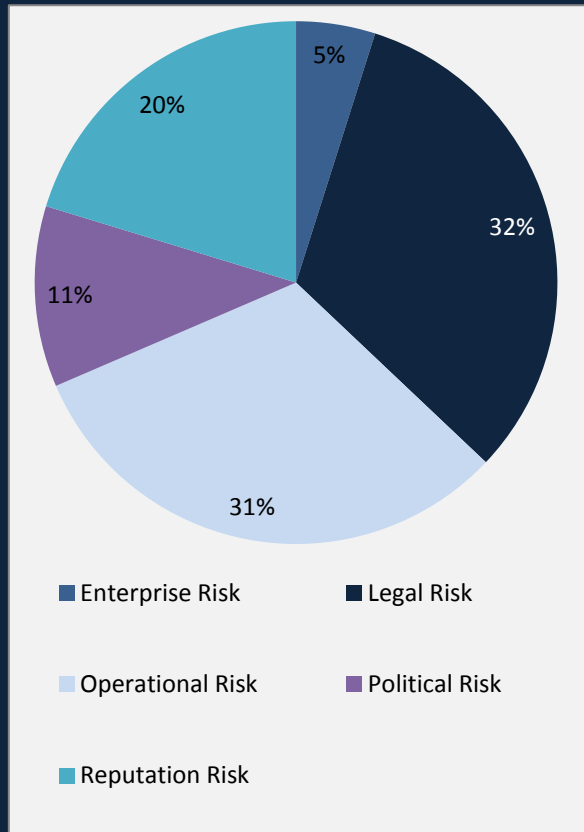
Reducing Regulatory Risk → 4%

Proactive management of environmental and social challenges which have legal repercussions

Sector Impact

- Rural markets, both in India, and outside (African nations), continue to excite and see investments from companies, particularly, in the Food, Beverage and Personal Care segment and Banking and Financial sectors
- Several companies are continuing to intensify their presence in the renewable energy domain, including both establishing plants and supplying technology
- There were only a few companies, which were in the news for sustainability initiatives to enhance operational efficiency, primarily as there were no sustainability reports released during the period
- The major news during the quarter was the significant investment announced for up-gradation of power transmission infrastructure, which would reduce energy losses
- Several Oil companies joined hands to provide solar lighting to schools and touch the lives of 1 million school children
- A few other companies, across sectors, also announced their CSR initiatives, focussed on education and skill building
- SIAM announced the launch of a new Automotive Fitness And Environment society, which will allow companies to differentiate themselves on their progressive outlook
- The product innovation initiatives this quarter were limited to Green chemistry – while Dystar and some others announced a new range of sustainable chemicals, others in the Pharma sector confirmed that Green chemistry is the future
- Several energy and fuel efficient appliances and technologies were developed and implemented in the period
- Odhish mining ban was the key operational risk in the period, which forced several companies to import Iron Ore – which is effecting both costs for the companies, as well as the increase the trade deficit
- A few companies in the oil and gas and mining sectors received green clearances from the MOEF for either starting new plants or increasing production from existing plants. These include Cairn India, NDMC, NTPC etc.

ESG Risk Breakdown



Operational Risk → 31%

"The risk of loss from inadequate processes, people, systems or external events"

Reputational Risk → 20%

Incidents involving damage to a firm's reputation leading to increased operating costs or loss of revenue

Legal Risks- 32%

Incidents involving "regulatory or legal action; disputes for or against the company; failure to correctly document, enforce or adhere to contractual arrangements, etc.

Political Risk → 11%

Incidents involving uncertainty created by instability in government (legislative, political leadership, etc.)

Enterprise Risk → 5%

Methods and processes used by organizations to manage risks and seize opportunities related to the achievement of their objectives

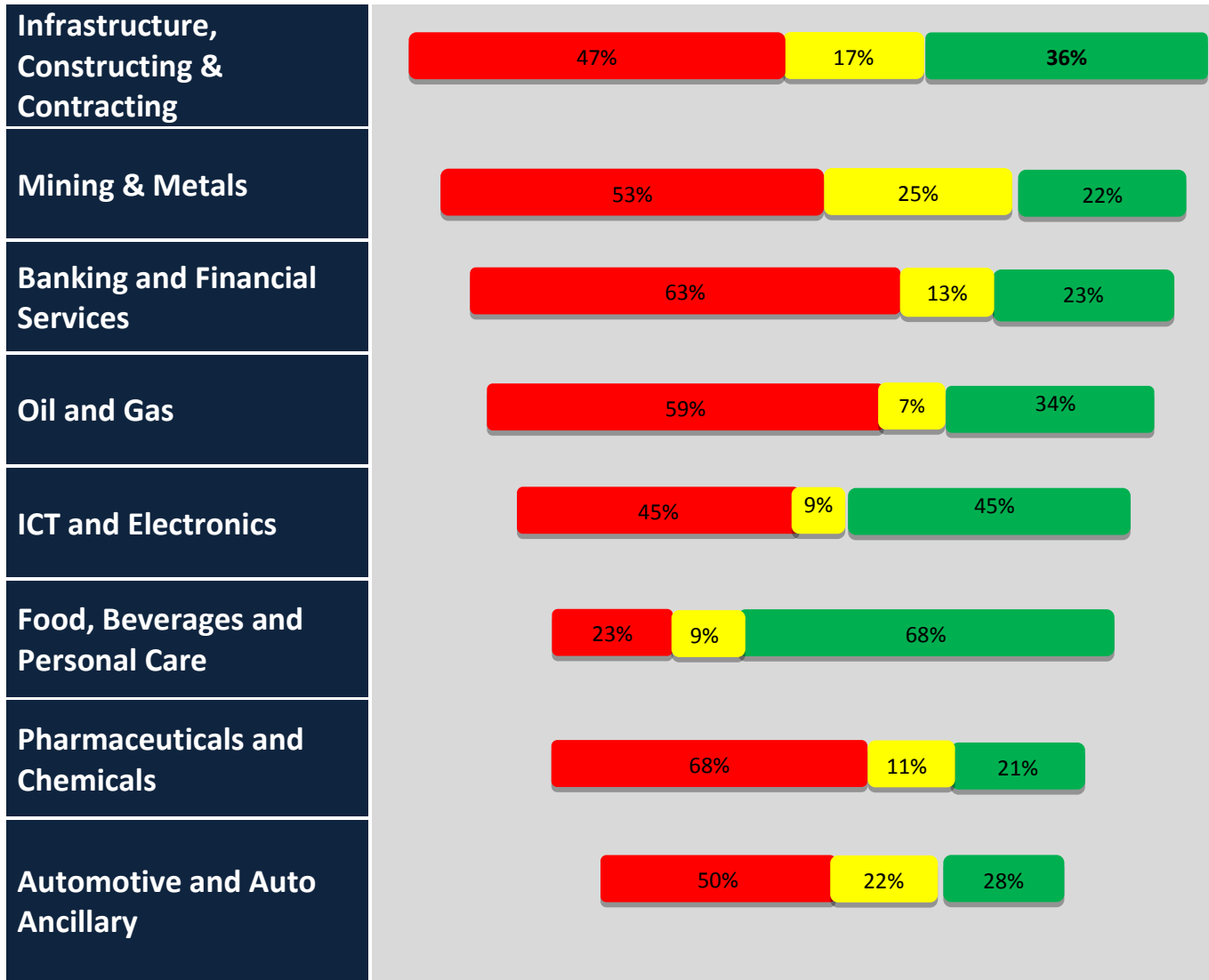
Sector Impact

- In this quarter, companies across sectors faced operational risks due to ESG factors
- This includes employee dissent and work stoppages for companies in the Auto and Oil and Gas sector, while US worker group boycotted some companies in the ICT and Electronics sector
- USFDA continued to increase its vigilance of companies in the Pharma sector
- Discoms, both public and private, received flak for being inefficient, as they announced an inability to meet green power targets
- The primary case of interest here is that of MCX- which continues to be in the news as PWC reports highlighted several governance related shortcomings in the company
- Bank of Baroda was in the news as stock fell upon its deletion from MSCI index
- Accidents in companies in the Oil and Gas sector and Infrastructure sectors – leading to negative publicity
- The major legal risk in the quarter involved allegations of insider trading involving shares of Axis Bank, L&T Finance, etc.
- Companies in the Oil and Gas sector faced police action for frequent accidents leading to fatalities –reasons why health and safety should continue to be a focus area for companies
- Environmental compliance issues were faced by several companies – including those in Steel, cement and pharma sector; additionally, companies also faced the heat for not meeting tree plantation targets
- Odhisha govt battled a tax row with NALCO and SAIL, whereas the Madras HC, Delhi HC, Bombay HC announced interim judgements against GAIL, RIL, Yes Bank etc.
- Shiv Sena was seen actively opposing the Jaitapur nuclear power plant
- Mining ban and Odhisha and Goa continued to companies in the Steel sector
- Retrospective taxation also continued to negatively impact businesses – this quarter Cairn India faced attachment of assets
- As the Indian government is mulling controlling the prices of essential companies, companies in the pharmaceutical sector are facing revenue risk
- Many companies, across sectors faced changes in the senior management changes, which included both voluntary and involuntary exits – these changes are likely to pose risks for companies



Break down ESG issues reported in the Quarter

SECTORAL BREAKDOWN OF ESG DISCLOSURE AND IT'S IMPACT



Industry Highlights:

- Focus on Renewable Energy: Several companies are foraying into the domestic renewable energy sector – including the commissioning of several solar and hydro plant. At the same time however, discoms are citing an inability to meet RPO targets – a claim which is being assessed
- Govt recognizes several risks and challenges posed by hydro power
- Different regulators including the NGT, state and central government, and the judiciary have pulled up several companies on both governance issues as well as environmental damages.

ESG Winners/Losers:

- All the companies that announced major renewable energy projects including BHEL and NHPC saw their shares rising - NHPC shares rose 12% on news of new contract in solar with the Kerela Govt.

ESG Action and Disclosure by Businesses

- Discoms were again the centre of focus this quarter – while the CAG pulled up the discoms in Delhi including Tata Power Delhi Distribution, BSES Rajdhani and BSES Yamuna, for not cooperating in the audit ordered by the AAP lead govt, the Delhi Govt reported Reliance Infra’s discoms as being inefficient ■
- Delhi Discoms also reported an inability to achieve RPO targets for 2014-15 and demanded a waiver ■
- Several hydro power and solar power projects were commissioned by companies including BHEL, NHPC and NTPC ■
- Discoms have launched a drive to cut inefficiencies and increase in cost of power as a court ruling ■
- Renewable energy has been identified as a transformational trend by ABB which is eyeing several opportunities in India ■

Policy Focus

- Companies in the sector to meet the tree plantation target set by the Chhattisgarh government – these include Lafarge Cement, Ultratech cement, Century Cement, Ispat, Ambuja and ACC. Resultantly, the state government has made it mandatory for the companies to deposit money with the Forest Development Corporation ■
- The NGT ordered ESSAR to clean up slurry at its MP plant and cement companies are facing questioning by the environmental ministry in Tamilnadu ■

Key ESG Risks

- There were several labour disruptions, accidents and fatalities reported in the quarter including a ammonia gas leakage at a facility of Grasim Industries, labor strike at Asian Paints and Mumbai Airport and a fatal accident at Neyveli Lignite Corporation ■
- A report by a ministerial panel has blamed badly managed hydro projects for an increase in floods in N. India ■

Sector: Auto and Automotive Ancillary

Number of companies tracked **16**

Total Issues this Month

↓	NEGATIVE	47%
→	NEUTRAL	17%
↑	POSTIVE	36%

Industry Highlights:

- The Goa mining ban and the Odhisha mining ban adversely affected the companies in the sector
- Privatization would be a focus in the sector beginning with Coal India

ESG Winners/Losers:

- Shares of Tata Steel, JSPL fell between 4 and 7% on Goa Mining Ban
- The shares of NDMC rose 4% on news of it getting nod for ore plant, slurry pipeline

ESG Action and Disclosure by Businesses

- Some companies launched CSR programs focussed on medical care, education etc, whereas Jindal Steel came out with a green gas stove
- SESA Sterilite annulled the firing of 1,017 employees, whereas Coal India sacked 126 employees

Policy Focus

- The new BJP Govt is mulling the privatization of Coal India
- The Coal scam: ED files money laundering case against ex-MoS Rao, Naveen Jindal in the Coal scale

Key ESG Risks

- Several fatal / environmentally damaging accidents were reported in the quarter including leakage of Carbon Monoxide at a SAIL plant and ammonia leakage at an ESSAR plant
- The Indian commerce and industry chambers has warned the industry of an impending iron ore shortage
- Tata Steel has been asked to control air pollution in Scunthorpe
- Companies are badly hit by Goa mining ban – the share prices of TATA Steel, JSW Steel and Jindal Steel dropped due to the same

Sector: Mining and Metals

Number of companies tracked **16**

Total Issues this Month

↓	NEGATIVE	53%
→	NEUTRAL	25%
↑	POSTIVE	22%

Industry Highlights

- The noticeable trend in the sector is the ongoing focus on **sustainability oriented product innovation** – not only are manufacturers looking to increase fuel economy, there is also increasing pressure by other stakeholders in light of the increasing pollution levels in the country and the significant deterioration of air quality them
- Government has given a significant push to the EV market and given that most companies are ready and waiting with their EV offerings, the market is likely to significantly expand in the near term. The jury is still however out on how environmentally beneficial it will be, given India's electricity generation is still more reliant on fossil fuels

ESG Winners/Losers:

- Bajaj Auto's shares fell 4.5% on the news of the union deferring its strike just as a tactical move of ahead of tribunal ruling
- However, the shares rose 5% on the news of Egypt lifting its export ban

ESG Action and Disclosure by Businesses

- Bosch has developed a new Versatile Fuel Injection System for bikes, which can replace the carburettor and increase efficiency ■
- Several companies faced senior management reshuffle including at Maruti, where 3 COOs were stripped of their executive powers ■

Policy Focus

- SIAM (Society of Indian Automobile Manufacturers) have launched a Society for Automotive Fitness & Environment (SAFE) in association with Ministry of Road Transport & Highways, Transport Department, Government of Karnataka & All India Federation of Motor Vehicle Department ■
- The Ministry of Finance turned down demand to levy 30% cess on diesel cars for the rising pollution levels- noted that the phased reduction in diesel subsidy will eventually make diesel cars untenable ■
- The ministry of heavy industries and the auto industry have agreed on the subsidy ceiling for (Electric/hybrid cars) XEVs. The subsidy will range from Rs 8,000 up to Rs. 12 lakh - the intention is that the subsidy will meet 30-40% of the price differential of XEV over petrol/diesel cars and will cost the government approx. ~12,000 crores over the next 3 years ■
- A panel on automobile fuel emissions standards has recommended that the government introduce the stricter Bharat Stage V emission norms across India by 2020 to curb growing air pollution in the country ■

Key ESG Risks

- The ongoing concern in the Auto sector continues to be labour relations and strikes – while many companies like Bajaj, Maruti, Kirloskar labour unrest, Toyota Kirloskar prolonged labour standoff leading to operational losses a ■

Sector: Auto and Automotive Ancillary

Number of companies tracked **14**

Total Issues this Month

↓	NEGATIVE	50%
→	NEUTRAL	22%
↑	POSTIVE	28%

Industry Highlights:

- The banking focus remains on building extending branch networks and products to serve the under banked rural markets
- The Indian renewable energy sector is attracting interest from international investors – the challenge remains that there are only a few investible companies currently
- Insider trading was a key risk seen in the period, as SEBI increased the pace of taking actions against large investors including Credit Suisse

ESG Winners/Losers:

- MSCI shares continued to fall over the period – the shares fell 3.29% as news of PWC report citing irregularities in related party transactions was released
- Bank of Baroda stock fell 3.2% on deletion from MSCI indices

ESG Action and Disclosure by Businesses

- Banking sector is continuing to target the burgeoning rural market with both financial products –several banks are setting up rural branches, while others are coming up with products suited to the rural consumer
- Global capital from many sources including ADP, GE Capital, OPIC, etc. is getting invested in both grid connected and offgrid RE projects in India – in the past quarter, Welspun, SIMPA, SunEdison etc announced raising of capital
- Several banks are a part of an industry group looking to bring 31 women leaders under a common mentoring and training program – a step toward promoting gender diversity – the Program is started by American Express
- Axis bank has introduced a low cost long term housing loan to target the underserved market

Policy Focus

- The Indian Banking Association has formed a working group on Responsible Finance with participation from leading banks, investors, and industry experts

Key ESG Risks

- SEBI started investigations into several insider trading allegations including shares of Axis Bank and L&T Finance
- SEBI also banned a HK Hedge fund run by Factorial Management on charges of insider trading
- The biggest risk in the sector continued to be the ongoing controversy surrounding FTIL and their stake in MCX; PWC's report found several faults in the corporate governance practices while MCX's shareholders moved to extinguish FTIL's voting rights

Sector: Banking and Financial Services

Number of companies tracked **19**

Total Issues this Month

↓	NEGATIVE	63%
→	NEUTRAL	13%
↑	POSTIVE	23%

Market Movers – Oil, Gas and Refining

Industry Highlights:

- Resource pressures in India will continue to push technology innovation, which is getting manifested in companies and govt looking at gas sanctions and renewable energy.
- The Indian govt has made a progressive move by the proposed creation of 2 JVs amongst existing oil and gas companies for renewable energy projects

ESG Winners/Losers:

- ONGC's share fell by over 2% as a worker was killed in an accident
- Reliance industries fell over 1% as ONGC alleged that the company unfairly took its share of Natural Gas

ESG Action and Disclosure by Businesses

- Many companies in the Indian energy space are looking at solar energy – however, the Indian panel manufacturing capability and capacity is raising concerns ■
- HMEL, a subsidiary of HPCL has adopted an IBM analytics-based solution, which will help them improve energy efficiency ■
- Several Oil and Gas firms have joined hands to the light up rural schools and impact 1 million children across the country – these include ONGC, IOC, HPCL, GAIL and Oil India ■

Policy Focus

- Ministry of Petroleum and Natural Gas and MNRE are working on a proposal to set up 2 JVs for renewable energy projects in India – 1 for grid connected projects and the other for off-grid. These would be JVs between IOC BPCL, HPCL, ONGC etc along with the Solar Energy Corp. of India and the Indian Renewable Energy Development Agency ■
- The petroleum ministry is mulling reducing the natural gas supply from non-core industries such as refineries, non-urea fertiliser plants and iron and steel units is in the offing and increase the supply of natural gas to CNG and PNG sectors ■

Key ESG Risks

- Accidents and fatalities were the biggest risk this quarter, with ONGC reporting accidents and the police filing cases against HPCL and IOC for frequent tanker accidents ■
- Environment issues, threats and investigations also continued in the quarter – while Cairn India got a clearance to increase its extraction in Rajasthan, ONGC, IOCL etc are facing government and civilian reaction for environmental damages caused by deforestation, oil sludge and leakages etc. ■
- ONGC has claimed the RIL has taken its share of natural gas in the Krishna Godavari Basin- an allegation which is being investigated by the high court ■

Sector: Oil and Gas

Number of companies tracked	8
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Total Issues this Month

↓	NEGATIVE	59%
→	NEUTRAL	7%
↑	POSTIVE	34%

Industry Highlights:

- US Food and Drug Administration (US FDA) certification controversy continues to rattle the industry – the authority has moved on from Ranbaxy and is investigating other companies' facilities
- Facing govt and civil society pressures, pharma companies may see eroded profit margins due to a curb on overcharging / demand to reduce prices

ESG Winners/Losers:

- The shares of Dr Reddy's Laboratories fell by over 5% as it announced changes at a senior level
- Sun Pharma shares fell by 1.65% as the company came under the scrutiny of USFDA
- Glaxo SmithKline's shares fell by 1.7% as it was one of the companies slammed by an NGO for overpricing of drugs

ESG Action and Disclosure by Businesses

- DyStar, a leading provider of chemicals to the textile industry has introduced a new range of sustainable, water efficient dyes
- The topic of "Green Chemistry" continued to receive focus – Dr. Reddy's laboratories reiterated its commitment to the principles of Green chemistry
- Supply chains sustainability and finding alternative, sustainable raw materials-this is due to mounting pressure for global brands / buyers
- Ranbaxy Lab's Toansa unit to get export certificate back

Policy Focus

- The policy focus in this quarter has been on banning / curbing overpricing practices by pharma companies, especially for essential drugs - Union fertiliser and chemicals minister Ananth Kumar stated the desire to bring down the price of essential drugs by 25-40%

Key ESG Risks

- USFDA has continued its scrutiny of and sanctions against the Indian drug manufacturers – companies under the scanner included Divis Laboratories, Sun Pharma etc.
- The sector faced a lot of pressure and criticism from civil society and the government on the issue of overcharging for essential drugs – Cipla even received a Rs. 105 crore penalty for overcharging
- Several companies have come under the scanner of regulators – while the UK fraud office is mulling actions against GSK, Indian IT Dept. is threatening penal action against Reckit Benckiser

Sector: Pharmaceuticals and Chemicals

Number of companies tracked **18**

Total Issues this Month

↓	NEGATIVE	68%
→	NEUTRAL	11%
↑	POSTIVE	21%

Industry Highlights:

- Energy efficient appliances will continue to be focus of electronic companies
- The Indian govt. is mulling anti dumping duties against solar technologies
- Report has found many companies non-compliant with e-waste norms

ESG Winners /Losers

- Infosys stock fell 3% as it announced a new CEO amidst news of many senior managers leaving

ESG Action and Disclosure by Businesses

- Several Indian companies received global recognition – while Infosys has been awarded the Gold Award for sustainable buildings at the 2014 International Ashden Awards, Tata Communications received Frost & Sullivan’s Third Party Datacenter Service Provider Award, which recognized the company for having its datacenters Carbon Disclosure Project (CDP) compliant ■
- Vodafone India will implement making NREGA payments through its M-Pesa service ■
- Vodafone India has announced the recruitment of more women employees in an attempt for gender equity ■
- A report by Toxic Link has found that 16 out of 50 leading companies are “wanting in their role on e-waste management”- these include Akai, BPL Group, Blackberry and HCL. Given the e-waste guidelines released by the Indian government, this is a big setback ■
- Panasonic and Samsung have contested Bureau of Energy Efficiency (BEE)’s claim that certain air conditioner models made by the companies and Godrej failed to meet energy consumption norms ■

Policy Focus

- The Indian government is mulling the introduction of dumping duties against global solar technology companies in an attempt to boost domestic manufacturing – faces industry backlash ■

Key ESG Risks

- Infosys continued to see disruptive senior management exits as the company announced a new CEO ■
- The increase in minimum energy efficiency performance standard for ACs by BEE is expected to have an incremental impact on the input costs, which may put pressure on the profit margins of companies – however, the market for energy efficient ACs are expected to witness a growth rate of 14%

Sector: Information, Communication and Technology

Number of companies tracked **17**

Total Issues this Month

↓	NEGATIVE	45%
→	NEUTRAL	9%
↑	POSTIVE	45%

Industry Highlights:

- Coca –cola has been in the news for both good and bad reasons as several beverages companies faced actions on their bottling plant from the pollution control board
- IDFE PE is facing problems exiting Hanjer Biotech
- Rural markets continue to excite Food and Beverages companies

ESG Winners/Losers:

- GlaxoSmithKline Consumer Healthcare’s shares rose 3.77% as the company announced that it is eyeing rural markets

ESG Action and Disclosure by Businesses

- Tetra Pak® India’s facility in Chakan receives Platinum certification for environment initiatives ■
- Coca Cola India and the Coca Cola India foundation is focussing on different sustainability issues; the company has inked an MOU with Indian Institute of Corporate Affairs to work on education and healthcare, with TERI to launch a program on water conservation, and expanded its Water Partnership with UN-HABITAT to 12 countries ■
- HUL, faced with thinning volume growth, is aggressively targeting rural markets in 2013- 14 – this includes both building a distribution infrastructure for their products, but also support programs to improve the health and hygiene of children, through school contact and mohalla (neighbourhood) programmes ■
- Jain Irrigation and Coca – cola have also decided to continue their collaborative project Unnati to cover end-to-end fruit supply chain and further optimize delivery

Policy Focus

- The Associated Chambers of Commerce and Industry of India (ASSOCHAM) has recommended short- and long-term measures to give the agriculture sector a boost to the central government - Among the recommendations are the need to implement the Agricultural Produce Market Committee (APMC) Act in all states to enhance supply chain efficiencies, replace input-based subsidies to farmers with low-cost credit, and linking the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) to agriculture for asset creation ■

Key ESG Risks

- Coca-Cola's Varanasi plant was made to shut down after the order of the pollution control board ■
- IDFC PE had to approach the Supreme Court to seek permission to audit the books and premises of its portfolio company Hanjer Biotech – the latter has recently gone public but IDFC is facing problems in exiting ■

Sector: Food Beverage and Personal Care		
Number of companies tracked		15
Total Issues this Month		
↓	NEGATIVE	23%
→	NEUTRAL	9%
↑	POSTIVE	68%

Market Buzz :Events and Awards

Event Name	Date	Location	Convening Body
Upcoming Events			
2nd Green Renewable Energy based CSR Conference	August 7 th , 2014	New Delhi	Sharp Developments
5th World Renewable Energy Technology Congress and Expo-2014	August 21 st , 2014.	New Delhi	World Renewable Energy Technology Congress
Conference on Green Technologies for the Automotive Sector	August 8 th , 2014	Chennai	Confederation of Indian Industries
Renewable Energy India Expo	Sept 3-5, 2014	Greater NOIDA	UBM India
International Conference & Exhibition on Green Buildings	Sept 4-6, 2014	Hyderabad	Green Building Congress
Watertech India	Sept 10 – 12, 2014	New Delhi	Government of India
4th India Smart Utilities Week	Sept 16-18, 2014	New Delhi	BSES
Indian Conference on Life Cycle Management (ILCM 2014)	Sept 29 – 30, 2014	New Delhi	FICCI
National Conference on Environment and Biodiversity of India	Oct 4 - Oct 5, 2014	New Delhi	EBI
3rd Annual Summit of the Sustainable Business Leadership Forum	Oct 16, 2014	New Delhi	Sustainability Outlook
Past Events			
Reducing Vehicular Emissions and Improving Fuel Efficiency	June 23, 2014	New Delhi	The Energy and Resources Institute (TERI), International Council on Clean Transportation (ICCT), Shakti Sustainable Energy Foundation supported the event
Second Annual Green Hotel Conference	June 12, 2014	Mumbai	Hospitality Biz
REENERGY	June 12-14, 2014	Tamil Nadu	Government of India
Sustainability Through Water Conservation and Renewable Energy Infrastructure	May 30, 2014	Mumbai	Indian Merchants Chamber
TBLI (Triple Bottom-line Investing) conference USA 2014	May 29 – 30, 2014	New York	TBLI
Waste to Energy: Opportunities and Challenges	May 29, 2014	New Delhi	Infraline
Ecobuild India	May 15-17, 2014	Bombay	UBM
Renewable Energy World India 2014	May 5- May, 2014	New Delhi	Pennwell



ESG INDIA: Sustainability Disclosure Assessment

Key ESG Headlines of the Period – April - June

Company	Information Description	Impact
NA	SIAM Launches Society For Automotive Fitness And Environment	Green
NA	CSR Is An Opportunity & Not A Responsibility'	Green
NA	Discoms can't meet green power target, seek waiver	Red
NA	Shiv Sena launches agitations against Jaitapur nuke power plant, Navi Mumbai	Red
NA	Petroleum ministry to divert more natural gas from non-core sectors	Yellow
NA	Pharma companies in a tizzy after minister talks of cutting essential drug prices	Red
NA	India's MNRE releases information on PV cell, module production capacities	Green
NA	India May Back Solar Duties as Probe Says US, China Dumped	Red
NA	Indian commerce and industry chambers warn of iron ore shortage	Red
NA	Odisha government sets terms for SPVs to expedite steel projects	Green
NA	Poor rains no sweat for consumer goods firms	Yellow
AB Nuvo	Aditya Birla Nuvo discontinues operations at Rishra Unit	Red
ABB	ABB to Boost Indian Power Grid	Green
ABB	The big shift – three transformative trends that are changing ABB's perspective - ABB's CEO recognizes the evolving demand for renewable energy	Green
ACC	Industries fail to meet tree plantation target set by government	Red
Adani Enterprises	Adani Group's Great Barrier Reef Project In Troubled Waters	Red
Adani Enterprises	India's Ministry of Environment found Adani violated environmental conditions but company expected to be allowed Queensland mine	Red
Adani Ports	India's Adani buys Dhamra Port in \$930 million deal	Yellow
Ambuja Cements	Ambuja Cement extends brand quotient by questioning the 'walls of mistrust'	Green
Ambuja Cements	Ambuja marks another milestone with accreditation by National Board First-ever cement company to achieve this target	Green
Apollo Hospitals	Kidney Racket Alleged, Apollo Hospital Raided	Red
Asian Paints	Asian Paints workers calls off strike	Green

Company	Information Description	Impact
Axis Bank	Sebi starts investigation into Axis Bank share sale, L&T Finance offer for sale	Red
Axis Bank	Axis Bank launches 30 year 'affordable housing' loan to lower income segment	Green
Bajaj Auto	Bajaj Auto Motorcycles president K Srinivas quits	Yellow
Bajaj Auto	DGCA grounds two aircraft of Bajaj Auto and Sobha Purvankara	Red
Bajaj Auto	Bajaj Auto union defers strike in tactical move ahead of tribunal ruling	Red
Bajaj Auto	Bajaj Auto may face strike, gets support from locals in Chakan	Red
Bajaj Auto	Bajaj employee union receives a setback	Red
Bajaj Auto	Bombay High Court directs Bajaj Auto and Chakan workers back to Industrial	Yellow
Bajaj Auto	Egypt lifts ban on import; Bajaj Auto to ship 5500 three wheelers, 3500	Green
Bank of Baroda	Bank of Baroda stock falls on deletion from MSCI indices	Red
Bank of Baroda	Bank of Baroda clerk swindles depositors of over Rs 45 lakh	Red
Bharti Airtel	It's no secret that Airtel is evading tax using foreign 'experts'	Red
Bharti Airtel	India's Bharti Airtel says to spend \$1 bln per year in Africa	Green
Bharti Airtel	Can India's Poor Leapfrog into the Solar Power Era?	Green
BHEL	BHEL halts operations at AP plant - the company has been penalized a sum of Rs 2.4 billion for liquidated damages (LD) from Andhra Pradesh Power Development Corporation Ltd (APPDCL).	Red
BHEL	CCI rules out anti-competitive ways by Noida, Nasscom & Bhel	Yellow
BHEL	BHEL commissions 520MW hydro project in Himachal Pradesh, India	Green
BHEL	BHEL to construct 120 MW project in Uttarakhand	Green
BHEL	BHEL commissions 4x130 MW hydro-electric project in Himachal Pradesh	Green
BHEL	BHEL commissions 68 MW Hydro Generating Unit at Rampur HEP in Himachal	Green
BHEL	29th batch of safety stewards installed at BHEL	Green
Bosch	Bosch Develops Versatile Fuel Injection System	Green
Bharat Petroleum Corp. (BPCL)	Criminal case sought against BPCL	Red
Bharat Petroleum Corp. (BPCL)	BPCL submits action-taken report on oil leak	Red
Cairn India	Veterans exit in Cairn Energy restructuring	Red

Company	Information Description	Impact
Cairn India	Cairn India contests retro tax in HC after I-T dept attaches assets	Red
Cairn India	Cairn India interim chief executive officer resigns	Yellow
Cairn India	Cairn India gets green nod to raise output from Rajasthan block	Green
Canara Bank	Canara Bank to focus on rural areas for branch expansion	Green
Cipla	Cipla faces fresh Rs 105-cr penalty for overcharging	Red
Cipla	Govt penalty demand on 'overcharging' not tenable, says Cipla	Red
Coal India	Coal India shares hit near 3-year high as Modi explores breakup	Green
Coal India	NTPC pays dues, ends conflict with Coal India	Red
Coal India	Coal India sacks 126 employees in Odisha	Red
Coal India	Narsing Rao to quit Coal India, become KCR's Chief Adviser - Economic Times	Yellow
Jain Irrigation	Our attempt to source locally has a sustainable agenda	Green
Jain Irrigation	Coca-Cola and Jain Irrigation to invest Rs 50 crore in Project Unnati Phase 2	Green
Colgate-Palmolive	We are looking at driving penetration in rural India	Green
Cummins	Cummins India director on industry-labour relation Pradeep Bhargava, Director, Cummins India says he took up an initiative along with CII to improve the industry-labour relationship so that the industry can be more caring, ethical, fair and equitable in dealing with labourers, particularly with the contract labourers.	Green
Divis Labs	USFDA inspects Divis Laboratories' facility	Yellow
DLF	DLF Foundation Inaugurates the DLF Lok Bharti Skill Training Centre in Najafgarh	Green
DLF	Delhi govt halts work at DLF project site	Red
Dr Reddys Laboratories	Dr Reddy's Laboratories's to invest \$450 m for product development	Green
Dr Reddys Laboratories	Dr Reddy's Laboratories announces changes at Senior level	Yellow
Dr Reddys Laboratories	Novartis Sues Dr Reddy's Labs Over Patent Infringement	Red
Dr Reddys Laboratories	"Green Chemistry – Key Driver of Sustainability in the Pharmaceutical Industry"	Green
GAIL	Madras HC confirms interim injunction against GAIL	Red
GlaxoSmithKline Consumer Healthcare	Rural markets have a huge headroom to grow' according to GSK	Green
GlaxoSmithKline Pharmaceuticals	GSK under UK fraud office scanner after foreign bribery claims	Red

Company	Information Description	Impact
GlaxoSmithKline Pharmaceuticals	Overpricing of paracetamol slammed by NGO	Red
Grasim Industries	In TN, cement and pharma units stuck in environment ministry files	Red
Grasim Industries	Labourer dies, engineer critical after ammonia gas leakage	Red
Grasim Industries	Grasim contract labourers to stage protest against management	Red
Gvk Power Infrastructure Ltd	GVK Renews Commitment Towards Clean Development Mechanism For Infrastructure on World Environment Day	Green
HDFC	HDFC Bank opens 17 rural mini-branches in Uttar Pradesh	Green
Hindustan Zinc	PIL filed in SC for scrapping Hindustan Zinc Ltd-Vedanta deal of 2002	Red
HPCL	HMEL Adopts Analytics to Improve (energy) Efficiency	Green
Indian Oil Corporation	PIL filed in SC for scrapping Hindustan Zinc Ltd-Vedanta deal of 2002	Red
HPCL	Frequent LPG tanker accidents: Police file criminal case against HPCL, IOC	Red
HUL	HUL hits a sweet note, uses radio on mobiles to woo rural audiences	Green
HUL	Two senior executives quit HUL's modern trade division	Red
HUL	HUL to shift focus to rural markets, innovation and digital media	Green
HUL	HUL launches Prabhat, an initiative for community development in villages	Green
ICICI Bank	ICICI Bank organises contact programme among farmers	Green
Indian Oil Corporation	No Step Yet on Unfair Trade Practices of Gas Agency	Red
Indian Oil Corporation	Central Excise slaps Rs 4.6 crore tax notice on Indian Oil	Red
Indian Oil Corporation	Indian Oil Corporation seeks exemption for LPG plant operations from strikes	Red
Indian Oil Corporation	Trees fell for IOCL pipeline	Red
Indian Oil Corporation	Oil companies go solar to light up lives of 1m school kids	Green
ONGC	Oil companies go solar to light up lives of 1m school kids	Green
HPCL	Oil companies go solar to light up lives of 1m school kids	Green
GAIL	Oil companies go solar to light up lives of 1m school kids	Green
Infosys	US workers' groups boycott Infosys, IBM, Manpower -- Three groups blame companies of excluding locals from hiring in the country	Red
Infosys	Infosys Names Vishal Sikka as New CEO	Yellow

Company	Information Description	Impact
Infosys	Infosys senior VP Prasad Thrikutam resigns	Red
Infosys	Infosys issues legal notices of Rs.2,000 crore each, claims articles by the media outlets defamed the company	Red
Infosys	Infosys bags Green Oscar for eco-friendly buildings	Green
Gvk Power Infrastructure Ltd	Hydro-power projects blamed for deadly Indian floods	Red
NTPC	Hydro-power projects blamed for deadly Indian floods	Red
Ambuja Cements	Govt to act against Jayparakash Associates Ltd, Ambuja Cements for flouting norms	Red
Jindal Stainless	JSL, TERI come out with 'green' gas stove	Green
Jindal Steel	Sarada Mines closure to hit JSPL's steel, pellet operations	Red
Jindal Steel	Coal scam: ED files money laundering case against ex-MoS Rao, Naveen Jindal	Red
Jindal Steel	Tata Steel, JSPL top Nifty losers, sink over Goa mining ban uncertainty	Red
JSW Steel	Tata Steel, JSPL top Nifty losers, sink over Goa mining ban uncertainty	Red
Tata Steel	Tata Steel, JSPL top Nifty losers, sink over Goa mining ban uncertainty	Red
Tata Steel	India's Odisha Mining Ban Forces Imports by Tata Steel and JSW	Yellow
JSW Steel	India's Odisha Mining Ban Forces Imports by Tata Steel and JSW	Yellow
Kirloskar Bros.	Kirloskar Brothers to provide energy audits & system analysis value-adds to Egypt's irrigation & agriculture sectors	Green
Kirloskar Oil Engines	Dattatraya R Swar quits Kirloskar Oil Engines Ltd	Yellow
Maruti Suzuki	Maruti Suzuki strips three COOs of executive powers	Red
MCX	Former FMC executive director PK Singhal to lead MCX management team	Yellow
MCX	MCX to take 'appropriate action' after PwC permission	Green
MCX	MCX India - Updates on Outcome of Board Meeting	Green
MCX	Income tax department orders special audit of MCX-SX, NSEL	Red
MCX	CBI set to question Bhave on MCX-SX	Red
MCX	Financial Tech rejects PwC report on MCX, warns of legal action against auditor	Red
MCX	MCX-SX case: CBI to quiz Sebi chief UK Sinha, M. Damodaran	Red
MCX	MCX paid ₹709 cr to FTIL, group firms sans documents	Red

Company	Information Description	Impact
MCX	PwC report points to irregularities in MCX related party transactions	Red
MCX	Manoj Vaish quits as MCX MD	Red
MCX	Deloitte may not challenge PwC's MCX audit	Yellow
MCX	Reliance Capital slams MCX for non-cooperation in FTIL stake sale	Red
MCX	MCX/NSEL issues: Initiated all action, says FMC	Red
MCX	MCX's shareholders move to extinguish FTIL's voting rights	Red
MCX	MCX India - Clarification - Intimation of resignation of MD & CEO	Red
Moser Baer	Moser Baer India exports solar PV modules worth Rs 200 crore	Green
NALCO	Odisha seeks MoEF nod for Nalco's slurry pipeline	Yellow
NALCO	Ujaas Energy installs 160KW roof top solar PV power plant at NALCO	Green
NALCO	Odisha hopes to settle tax row with Nalco, SAIL soon	Red
SAIL	Odisha hopes to settle tax row with Nalco, SAIL soon	Red
NHPC	NHPC - Signing of agreement with Govt. of Kerala for setting up of Solar Power	Green
NHPC	NHPC to reduce height of controversial Subansiri project	Red
NHPC	India's 240-MW Uri 2 hydropower plant in full commercial operation	Green
NMDC	NMDC gets nod for ore plant, slurry pipeline	Green
NTPC	NTPC to start coal mining from Jharkhand block by March	Yellow
NTPC	CBI closes 9-yr-old alleged Russia-NTPC payoffs case	Yellow
NTPC	NTPC's 50 MW solar power plant in Madhya Pradesh commissioned	Green
ONGC	Moiily calls ONGC petition 'serious matter', seeks if action justified	Red
ONGC	Oil sludge threatens Indian farms	Red
ONGC	Accident in India kills ONGC worker	Red
ONGC	Environmental issues hit ONGC's gas exploration in Tripura	Red
ONGC	SunEdison Drops India Solar Project on Cell Supply Concerns	Red
ONGC	ONGC moves up in Newsweek Green ranking	Green

Company	Information Description	Impact
ONGC	India to set up two renewable energy firms	Green
Indian Oil Corporation	India to set up two renewable energy firms	Green
Power Grid	Rs. 5100-crore plan finalised for upgrading power transmission network	Green
Ranbaxy	Ranbaxy Lab's Toansa unit to get export certificate back	Green
Reliance Ind.	ONGC claims RIL took its natural gas; Delhi HC seeks Centre's reply	Red
Reliance Infra.	Mumbai Metro may start soon as Reliance Infrastructure allowed to fix fares	Yellow
Reliance Infra.	Reliance Infrastructure discoms are 'inefficient': Delhi government to Supreme Court	Red
Reliance Infra.	Austin company completes interactive energy platform deployment in India	Green
REC	Rural Electrification Corporation announces transfer of shares	Yellow
Sesa Sterlite	Sesa Sterlite not to Lay Off On-Notice 1017 Employees	Yellow
Sesa Sterlite	Sesa Sterlite expects Goa mining ban to be lifted soon	Yellow
SAIL	SBI exploring ways to declare Mallya 'wilful defaulter'	Yellow
SAIL	Six die in India steel plant gas leak - 31 others injured due to leakage of carbon monoxide gas from one of the blast furnaces	Red
SAIL	Odisha mining stay: SAIL has enough ore stocks to run plants	Yellow
Sun Pharma	Court orders temporary halt on Sun Pharma's \$3.2 bln takeover of Ranbaxy	Red
Sun Pharma	Indian drug manufacturer Sun Pharma under scrutiny by USFDA	Red
Sun Pharma	Sun Pharma enters into settlement pact with Novartis over Gleevec case in US	Red
Sun TV	Cornered by CBI, Former Sun TV Honchos Start Singing on Phone Exchange Scam	Red
Tata Power	MCD faces loss as power firms refuse to pay tax	Red
Tata Steel	Tata Steel given deadline to control air pollution in Scunthorpe	Red
Tata Steel	IMFA requests Orissa High Court to restrict Tata Steel's mining of chrome to what it requires	Red
Tata Steel	Tata Steel imparts Pre Matric Coaching for students	Green
Tata Steel	Tata Steel launches Adult Literacy Programme for Women	Green
Tata Steel	Tata Steel to bring 'Hospital on Wheels' to Odisha for 8th Time	Green

Company	Information Description	Impact
Tata Steel	Odisha to renew some iron ore mining licences in about two months	Yellow
SAIL	Odisha to renew some iron ore mining licences in about two months	Yellow
United Spirits	Operations resumes at United Spirits' bottling unit of Palakkad, Kerala	Yellow
Wipro	US regulator probes Wipro's audits	Red
Yes Bank	Rana Kapoor should not be allowed another term as YES Bank CEO: Madhu Kapur	Red
Yes Bank	Yes Bank case: Bombay HC has jurisdiction to hear Madhu Kapur's plea	Red
Yes Bank	Bombay High Court tells Yes Bank promoters Rana Kapoor and Madhu Kapur to settle row	Red
Tata Consultancy Services	TCS' women employees set to top 100,000	Green

About the Responsible Investment Working Group

About the Working Group

The IICA-GIZ Initiative, along with cKinetics, have convened a working group under the Sustainable Business Leadership Forum to drive the adoption of E&S measurement and disclosure in India by translating the research undertaken by the 2013 working group into action.

Keeping in mind the existing need of businesses, investors and other stakeholders, the Responsible Investment working group has been formulated with the following objectives:

- **Develop ESG Information Instruments**

These instruments will inform the SBLF working group, investors as well as the market at large on the ESG performance of Indian businesses. This would include:

- *Annual benchmarking report*: Analyzing and benchmarking trends on ESG disclosure and reporting of listed businesses with a focus on the top 100. The assessment would include all forms of public disclosure and will not be limited to Annual Business Responsibility Reports (ABRR) only.
- *Quarterly information dashboard*: Creating a quarterly dashboard that captures ESG actions of Indian businesses, investors, policy makers and other stakeholders.

- **Develop an ESG Information Enabler by constructing an ESG guide for investors on how they can access and utilize ESG data**

In 2013, the Working Group identified a disconnect between companies and investors (especially equity investors); whereby, companies did not feel that investors were interested in non-financial disclosures. Simultaneously, investors were largely unaware that companies possessed the sophistication to report on non-financial performance metrics. Given the clutter of existing non-financial disclosure frameworks in the market, identifying the appropriate mechanism for disclosure has been a significant challenge for many firms.

For more information contact Shradha Kapur (skapur@ckinetics.com), or visit the Working Group website:

<http://sblf.sustainabilityoutlook.in/about-the-forum/sustainability-disclosure-and-reporting>

About the Sustainable Business Leadership Forum (SBLF)

Sustainable Business Leadership Forum (SBLF) is an invitation-only Indian industry focused market development platform which equips organizations, managers and industry stakeholders on the 'how' of sustainability through a unique programmatic approach comprising of round the year programs and 'on-ground industry oriented' work.

Instituted by Sustainability Outlook, the leading information marketplace on sustainability action, SBLF enables a unique exchange of thought leadership, business know-how and catalytic tools for enabling corporate transition towards sustainable business practices.

Based on membership inputs and requests for focused research, the Forum facilitates creation of Industry Task Forces guided by industry catalysts and corporates. The advantages of members working as a group on common issues are:

- Build shared insight on sometimes, complex issues
- Pool in resources with other like-minded agencies and institutions
- Generate attention from the relevant customers, stakeholders, etc. that is larger than if done by members individually.