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THE WORLDONOMICS TIMES

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Empowering Global Economic Insight: Introducing The Worldonomics Times

In an era where the tapestry of global finance and economics interweaves with the complex dynamics of markets worldwide, there emerges a beacon of insight, The Worldonomics Times. Announced by the International Navodaya Chamber of Commerce (INCOC) on 26-03-2024, this forthcoming monthly magazine is poised to be an indispensable resource for anyone keen on understanding the pulsating heartbeat of the global economy.

Scheduled to release its premiere issue on May 5th, 2024, The Worldonomics Times aims to fill a crucial gap in the landscape of financial journalism. With a commitment to providing in-depth coverage of global finance and economics trends, news, and analysis, this publication is tailored for business leaders, policymakers, and the intellectually curious who strive for a deeper understanding of the world's economic currents.

Global Perspective with Local Relevance

At its core, The Worldonomics Times will offer a global perspective that bridges diverse markets and economies. This isn't just about tracing the flow of capital across continents; it's about understanding how these financial streams affect businesses and policies on a local level. Sandeep Kumar, the founder of the International Navodaya Chamber of Commerce and Editor-in-Chief of the magazine, emphasizes the platform's role in exploring emerging trends and the forces sculpting world markets.

In-Depth, Data-Driven Journalism

What sets The Worldonomics Times apart is its commitment to investigative journalism that digs beneath the surface. This magazine will go beyond the headlines to uncover the underlying stories that drive financial shifts, offering clarity in an ever-complex world. Coupled with expert opinions, interviews, and thought leadership from noted economists and financial specialists, readers are promised a comprehensive outlook on the global economic scene.

Moreover, with a focus on data-driven insights, the magazine will utilize visualizations and infographics to demystify complex economic trends and statistics, making the information accessible and digestible to its readership.

Accessibility and Empowerment

Understanding the importance of adaptability in today's fast-paced world, The Worldonomics Times will be accessible in both print and digital formats. This dual availability ensures that readers can engage with the content in a manner that best suits their lifestyles, whether at home, in the office, or on the move.

"We are committed to delivering accurate, unbiased, and high-quality journalism focused on the world of finance and economics," Kumar states. "Our goal is to empower readers with the knowledge they need to make informed decisions in an increasingly dynamic global landscape."

As we anticipate the release of The Worldonomics Times' premiere issue, it’s clear that this magazine is on a mission to enlighten and inform. Through its rigorous analysis, expert commentary, and commitment to excellence in journalism, The Worldonomics Times is set to become a guiding light for anyone looking to navigate the intricate world of global finance and economics.

Sandeep Kumar

EDITOR-IN-CHIEF

Worldonomics Times

ESG-a tool for achieving sustainability.

ESG is Primarily used for Environmental, Social, and Governance (ESG) that is mainly use by investors who takes care for society at large or habitual of giving back to society more than what they have extracted from this beautiful nature or earth.

ESG norms mainly talked and focused towards ideology and set framework that ensures value to our endeavours in terms of returns. The importance of ESG for business cannot be ruled out as it helps in managing risks, create enduring benefits, have focus towards investors demands, regulatory compliances, and stakeholder's fulfilment of expectations. By focusing on ESG factors,
the following targets can be achieved: -

- To take care for environmental challenges.
- To strengthen social relations
- To strengthen related governance practices.

In a nutshell, **ESG** which stands for **"Environmental, Social and Governance"** can be described as a set of policies, practices and procedures that helps organisations in enhancing positive impact on the environment, society, and governance.

Thus the three pillars of ESG are as under:

- **Environmental** – Mainly focused on organisation's impact on the planet-carbon emissions, water & air pollution and climate change etc.

- **Social** – Primarily deal with the impact an organisation has on people- staff, customers & Community-Customer satisfaction, privacy and data safety etc.

- **Governance** – it covers mainly how an organisation is governed. With Transparently-Composition of board, structure of Audit Committee etc.

Status of ESG implementation in India

Companies in high-emitting sectors like industry and energy face stringent scrutiny by the Government. The Securities and Exchange Board of India (SEBI) also made ESG disclosures mandatory for the top 1,000 listed companies under its Business Responsibility and Sustainability Reporting (BRSR) initiative. India has a defined mandate for Corporate Social Responsibility (CSR) for companies with Rs 5 Crore net worth, Rs.10 Crore turnovers, or Rs.50 Crore net profit. These companies must spend at least 2% of their net profits on CSR endeavours and disclose their ESG profiles to attract capital from global ESG investors and financiers.

Reason for popularity of ESG concept:

1. It mitigates risk and provide value for investors and for companies.

2. It helps regulators to get information and arrange processing of the same..
3. Investors prefer to invest in companies that align with their values and goals.

4. Companies that perform well on ESG are less risky, better positioned for the long term, and have power to resist uncertainty.

5. Helping environmental and ecological causes.

6. Holding companies accountable for their actions

7. Rewarding ethical companies based on their principles

8. To obtain inflation-beating returns.

Reasons for sustainability of ESG in India

The reasons can be enumerated below:-

1. Investors are demanding ESG Investments:
The shift to sustainable investing is so powerful that they are investing in sustainable strategies as they look to use their capital to help create a more sustainable world.

2. Technology is providing transparency and good governance:
The internet transformed the way information is accessible from each nook and corner of the world.

3. Corporates are encouraged to take action:
The encouraging news is that many companies already understand the need to take action on ESG issues. The reason is that they conclude that they can only deliver sustainable long-term growth if they manage the Earth's resources prudently, treat their workers with respect and look after the natural environment in which they work in.

4. Investment research is focussed on sustainability:
The Fund Managers are looking for compliance relating to ESG by understanding prospective company's focus or concern towards sustainability.

Golden principle of ESG: -

These are the Golden Rules of ESG: -

- The businesses to be governed keeping in mind the best ethical, transparent and accountable practices.
- Goods and services should be provided which is safe and sustainable.
- Business should be conducted in a manner which takes care for all associated employees and their other associates or business chain.
- Interest of all stake holders may be protected in the best possible manner.
- Human rights must be protected.
- Companies must provide value to their customers.
- It is the duty of business houses to promote growth and equitable development.
- Protection and restoration of environment must be ensured.
- Functions of the businesses must be transparent and with responsibility.

Disclosure requirements under BRSR.

The disclosures under BRSR are made under the following sections:

- **Section A:** General disclosures about the listed entity.
- **Section B:** Management and process disclosures.
- **Section C:** Principle-wise performance disclosure.

What are ESG issues in India?

However, there are several challenges involved in reporting ESG metrics for the supply chain. Corporates in India find that a significant portion of their supply chain partners are small, unlisted firms, and it can be difficult to communicate the value of sustainability to these partners.

Is ESG reporting mandatory in India?

The Companies Act, 2013 introduced one of the first ESG disclosure requirements for companies. Section 134(m) mandates companies to include a report by their Board of Directors on conservation of energy, along with annual financial statement.

What is ESG audit in India?

In India, ESG Assurance in Audit for Sustainable Accountability.ESG assurance in audit involves verifying and validating a company's environmental, social, and governance (ESG) performance data and disclosures to ensure accuracy, reliability, and completeness.

What is the difference between CSR and ESG in India?

Corporate Social Responsibility (CSR) refers to sustainability strategies businesses employ to ensure that the company is carried out ethically. In contrast, Environmental, Social and Governance (ESG) are criteria used to measure a company's overall sustainability.

Overall, these developments in ESG reporting and assurance will contribute to building trust among stakeholders, promoting sustainable practices, and facilitating informed decision-making in the Indian business landscape.

What are the ESG initiatives of SEBI?

There are nine ESG attributes include greenhouse gas (GHG), water, and energy footprint, embracing circularity, enhancing employee well-being and safety, enabling gender diversity in business, enabling inclusive development, fairness in engaging with customers and suppliers, and openness of business.

Regulatory Framework

The rise of ESG regulations has led to the development of a regulatory framework that establishes guidelines for companies to follow in terms of ESG reporting and disclosure. This framework aims to standardize ESG reporting and make it easier for investors to compare the ESG performance of different companies. The regulatory framework includes guidelines and standards for ESG reporting and disclosure, as well as requirements for companies to establish ESG policies and procedures.

Challenges Faced in Indian scenario.

In India, the implementation of ESG regulations faces a number of challenges which can be enumerated below: -

- **Lack of standardization and comparability: -**

One major challenge is the lack of standardization and comparability of ESG reporting.

- **Awarness among companies.**

Next challenge is the lack of awareness and capacity among companies to report on ESG issues

- **Minimal regulatory framework.**

Limited Regulatory Framework is another problem.

- **Limited knowledge about importance.**

Many companies in India may not be fully aware of the importance of ESG factors.

- **Inadequate Data.**

In India, there may be limited publicly available data on ESG factors.

- **Cultural Factors.**

India has a diverse cultural landscape, and some traditional business practices may not align with ESG principles

How to make ESG more effective in India.

Companies in India should provide more comprehensive and standardized disclosures on ESG factors to enable investors to evaluate their ESG performance more effectively. The regulatory environment in India should be strengthened to promote greater ESG compliance by companies

.

Meaning of ESG for power sector in India.

In India, in order to achieve ESG initiative in an effective ways initiatives like- National Green Hydrogen Mission, Energy access through RE, adoption of Pumped hydro storage technique, one sun-one world-one grid initiative, smart energy etc. are some of the important initiatives planned by power sector. Power sector is taking various steps to make energy portfolio greener by adding significant capacities of RE.

Utilising resources optimally

In India companies whether big or small, should adopt the evolving ESG frameworks to satisfy compliance criteria. Environmentally so called responsible companies must focus on sustainable sourcing, resource allocation, and optimal utilisation of resources such as fuel, raw materials, air, and water. They should pay more attention to attend issues relating to waste management, scope emissions, water consumption, 3R practices, Extended Producer Responsibility (EPR), and Life Cycle Assessment (LCA) mandates to make ESG reporting more effective and to have their contribution for society welfare and protection.

Switching to renewable energy solutions

Will help in attending energy storage for demand management, power dispatch, and renewable energy smoothing.

Streamlining people and processes

companies should allocate competent professionals to source and analyse data, create data bank, and deploy ESG data tools to streamline processes, supply chains, and customers.

Thus, considering the above facts in Indian scenario where "One Sun-One World-One Grid" Initiative which was first floated by the Prime Minister to harness tremendous potential of solar energy is taking place looks to integrate environmental and human health, collaboration and transparency, and transformation of various production modalities to realise its pledge of attaining net zero emissions in the future.

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