

Chapter 8 — Key Learnings and Takeaways

Sustainability in India

What This Chapter Is About

This chapter examines sustainability in India through the interaction of promoter-driven corporate structures, cultural norms of ambition and overcommitment, regulatory experimentation, and uneven enforcement capacity. It explains why India presents both significant sustainability risks and exceptional long-term opportunities, and why success depends on realism, verification, and patient engagement rather than reliance on disclosure alone.

Core Takeaways

1. Promoter dominance shapes sustainability outcomes

Promoter control enables long-term vision and rapid execution, but concentrated power weakens checks and balances and elevates governance risk.

2. Ambition drives innovation—but increases execution risk

Cultural norms that reward bold commitments support growth and experimentation, yet repeated overpromising can undermine ESG credibility if delivery capacity is weak.

3. Informal governance mechanisms remain influential

Weak contract enforcement and reliance on relationships mean that trust, reputation, and promoter behaviour often matter more than formal rules in shaping outcomes.

4. Regulation is ambitious but unevenly enforced

India's sustainability and governance frameworks are sophisticated in design, but fragmented institutions and capacity gaps limit consistent enforcement.

5. BRSR is a major step forward—with limits

The BRSR framework improves transparency and comparability, but disclosure quality and implementation depth vary significantly across companies.

6. Verification matters more than reporting

In India, effective ESG assessment requires on-the-ground verification, engagement, and triangulation beyond published disclosures.

7. Dual economies complicate sustainability strategy

Companies must navigate extreme disparities between elite growth sectors and mass inclusion challenges, shaping both social risk and opportunity.

8. Long-term sustainability opportunities are substantial

Renewables, digital finance, infrastructure, and inclusion offer compelling ESG-linked growth opportunities for patient, well-informed investors.