

The panel: (L-R) Shirish Sankhe, David Erickson, R. Sridharan, Hirofumi Sakuma, Sunil Kant Munjal and V. Raghuraman

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India Inc. Walk the Talk

Some remarkable facts about Indian industry's green initiatives emerge during a panel discussion on climate change. MANU KAUSHIK

INDIA INC. SEEM TO HAVE QUIETLY achieved something truly remarkable that its counterparts in the developed world probably yet haven't: The green initiatives of Indian industry have resulted in a decoupling of energy intensity from GDP.

This extraordinary revelation was made by V. Raghuraman, Principal Adviser & Head of Energy, Environment & Natural Resources, CII, at the sixth *Business Today Managing Tomorrow* series on "Climate Change & the Corporation" that was organised recently in the Indian capital in association with NEC India. "Industry is voluntarily undertaking a lot of green initiatives. Take the case of energy intensity. During the Tenth Five Year Plan, we wanted to add 41,000 MW, but we added only 21,000 MW. Still, the economy grew faster than what

the government had anticipated in its planning. This shows that there has been a decoupling of energy intensity from GDP and that is something not being given wide publicity by the media," said Raghuraman.

Many other interesting aspects of the corporate role in ameliorating the effects of climate change emerged during the discussions by the panelists. They included David Erickson, Director of Climate and Carbon Research Institute, Oak Ridge National Laboratory, Tennessee; Hirofumi Sakuma, Group leader, Climate Variations Research Program, Frontier

Research Center for Global Change, Yokohama, Japan; Sunil Kant Munjal, Chairman, Hero Corporate Service; Shirish Sankhe, Senior Partner, McKinsey & Co; and Raghuraman. The discussion was moderated by R. Sridharan, Managing Editor, *Business Today*.

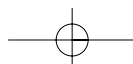
Erickson underlined the fact that companies nowadays were discussing not just ways and means of reversing climate change but also looking to turn their efforts into profitable advantages. "The corporate debate over global climate change is undergoing a paradigm shift of monumental propor-



SHIRISH SANKHE

Senior Partner, McKinsey & Co.

"Regulations on carbon footprint in India are still evolving and the government needs to see the big opportunity in terms of biofuels, renewable fuel"



tion. Corporate boardrooms worldwide are now discussing what can be done to prevent and reverse global warming, and how to position their companies to gain a competitive edge while doing so," he noted.

But he also drove home the fact even though businesses were now in a better position to assess the possible geophysical threats, thanks to sophisticated computing devices, still, the fact remained that dealing with climate change was going to cost businesses an awful lot of money.

Speaking about India, Sunil Kant Munjal, Chairman, Hero Corporate Service, said despite the problem of perception among many people about climate change, some headway has been made in patches. He cited the example of Delhi that has successfully enforced the adoption of CNG for all public transport. But he said the real test for corporations lay in the future: "As we grow economically, we are going to become gas guzzlers. China and India will see their energy consumption go up dramatically. There is a need for industry to become conscious across the full spectrum. Clearly, you will see amongst the responsible companies an active move to look at this much more seriously than just as part of corporate social responsibility. They



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HIROFUMI SAKUMA

Group Leader (Climate Variations Research Program),
Frontier Research Center for Global Change

"In the first decade of the 20th century, the activity of the Indian Ocean dipole was very low, but recently because of the global warming, the activities in this region have become very high"

DAVID ERICKSON

Director (Climate and Carbon Research Institute),
Oak Ridge National Laboratory, Tennessee

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YAGI TOMOHIRO

CEO, NEC ASIA

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have moved beyond being a CSR issue to a strategy issue."

The Indian government's role also came in for scrutiny, especially with regard to regulations, mandates and incentives surrounding efficient energy. Shirish Sankhe, Senior Partner, McKinsey & Co, pointed out that the regulations on carbon footprint in India are still evolving and that the government needs to see the big opportunity in terms of biofuels, renewable fuel.

Lest the real problems of global warming get lost in debates, Sakuma pointed out that in the first decade of the 20th century, the activity of the Indian Ocean dipole was very low, but recently because of the global warming, the activities in this region have become very high.

Earlier, in his welcome speech, *Business Today* Editor Sanjoy Narayan set the tone for the discussions when he mentioned that in the ensuing efforts to mitigate the effects of global warming there lay a huge opportunity for the corporates. Yagi Tomohiro, CEO, NEC Asia, said his company was happy to be associated with the event. "With Mother Nature as the focus of our CSR, we are happy to be associated with this forum that brings together India's corporate and the scientific community to discuss climate change," he said. The event concluded with a vote of thanks from Pavan Varshnei, Publishing Director, *Business Today*.

