

PRESIDENT'S SPEECH AT THE PRESENTATION OF CII-ITC SUSTAINABILITY AWARDS 2012

VIGYAN BHAVAN, JANUARY 14, 2013

1. It gives me a great pleasure to be here with you today, on this auspicious day of Makar Sankranti, for the CII ITC Sustainability Awards 2012. I am thankful to the organizers for providing me the opportunity to be a part of this august gathering comprising of the Captains of Indian Industry.
2. It is gratifying to note how the subject of sustainability is rapidly gathering momentum to get mainstream recognition. The CII ITC Centre of Excellence for Sustainable Development has been at the forefront of creating awareness, promoting leadership and building capacity to enable several Indian businesses to pursue sustainability goals. I congratulate the Centre and ITC for promoting this Award for the last seven years.
3. The 'Sustainability movement' in our country is now coming of age. The framework of 'Triple Bottom Line' objectives of creating share-holder value, building social and environmental capital promoted by ITC is finding broad-based support. I am told that ITC's Sustainability Vision is implemented through a dedicated social investment programme called, 'Mission Sunehra Kal', aimed at empowering stakeholder communities to conserve and manage their social and environmental capital. Other society based initiatives like e-Choupal, Social and Farm Forestry programme have resulted in significant generation of livelihood and natural capital.
4. Ladies and Gentlemen, India is today the third largest economy in the world on Purchasing Power Parity basis. It is also the second fastest growing economy, with its growth rate second only to China. Over the last few decades, our economy has shown a capacity to grow faster. The average annual growth rate of 5.5 per cent during the Ninth Five Year Plan period increased to 7.7 per cent and 7.9 per cent during the Tenth and Eleventh Plan periods respectively. In six out of the last nine years, the growth rate of our economy had exceeded 8 per cent.
5. Due to the slowdown in the global economy and other factors, the growth rate has declined, from 8.4 per cent in 2010-11 to 6.5 per cent in 2011-12, and further to 5.4 per cent in the first half of 2012-13. On several occasions in the past, our economy has

demonstrated its capacity to grow at a healthy rate despite disturbances in the global economy and external sector. I hope that we would be successful in overcoming the challenge of reversing this short term deceleration and bring our economy back to the growth levels of 8 to 9 per cent per year.

6. The imperative to grow rapidly amidst difficult global circumstances is not the only challenge though. As we progress on our chosen path of inclusive growth, we are confronted with a multitude of challenges such as poverty alleviation, mitigation of environmental degradation, response to climate change, increasing competition in international markets, escalation in energy demand, and many more. In meeting these challenges, I am sure the Indian industry will prove to be more than able partners.
7. Ladies and Gentlemen, Economic growth is no doubt the prime driver of a country's overall development. But the natural ecosystem and the people who make up the society are also vital for nation building.
8. Environmental sustainability finds an important place in today's global discourse on growth and development. While ensuring universal access to natural resources, we must also promote its efficient use. Most economic activities depend on products and services provided by the ecosystem. In order to sustain the pace of economic growth, businesses must be able to operate without compromising the future capacity of the ecosystem.
9. Our country is the fourth biggest consumer of energy in the world, after the USA, China and Russia. Energy Intensity, a measure of energy efficiency of an economy that indicates the cost of converting energy into GDP, is higher for India than developed nations such as the UK, Germany, Japan and the USA. Thus, the high economic growth rate of above 8 per cent per annum that we have envisaged for our country in the next five years could entail significant consumption of energy. We must vigorously pursue policies that promote energy efficiency. During the Eleventh Plan period, policies to reduce energy have led to savings equivalent to 10,836 MW of avoided power generation, which in monetary terms, has resulted in annual savings of about Rs. 3000 crore. But much more needs to be done as our journey towards pursuing sustainable development has only begun. I expect the private sector to play a major role towards ushering an era of green energy and sustainability.

10. Ladies and Gentlemen, The economic prosperity that our country has experienced over the last few decades will mean nothing if, on account of poverty, a significant percentage of our population is not able to participate in its development. A poverty ratio of around 30 per cent and illiteracy rate of 26 per cent in our country is simply not acceptable. A decisive reduction in poverty will be possible only if there is an expansion in economic opportunities for all sections of the society. “Inclusive growth” should not be a mere slogan but a fundamental driving force for sustainable development.
11. Today, the notion that development encompasses more than just the single dimension of economic indicators, is gaining ground. Historically as well as traditionally, businesses have considered financial gains as the measure of success. We need to usher in a culture of social responsibility in the governance of Indian companies. Indian business, by integrating social and environmental objectives in their operations, can make a positive contribution for the betterment of our society.
12. I am happy to note that our Industry is actively participating in several key areas of development in the country. Several businesses are developing and implementing innovative solutions for energy access in rural areas. I understand that the organizations being awarded today are actively engaged in working with the local communities, in providing agriculture education to farmers and technical education and skill development to the youth, in nurturing local businesses, in addressing issues such as water scarcity, and in spreading awareness on issues ranging from health to biodiversity conservation.
13. This Award function is an excellent platform to recognize the efforts of those corporate organizations which have moulded their business models to accommodate the parameters of sustainability. I take this opportunity to commend both CII ITC Centre of Excellence for Sustainable Development and ITC for their relentless efforts and support for this novel initiative.
14. I congratulate all the winners, who have adopted a difficult path. Let me assure you that the path you have chosen is also full of opportunity. But to find those opportunities, you have to think, create, and deliver while taking care of our future generations. Recognition helps to bring the issue of sustainability to the centre stage of our attention. But what is necessary for our Industry is a belief within them that the compulsion of creating

value for a business cannot be separated from our concern for society and environment. I appeal to the Indian Industry to be part of this sustainability movement and participate in true nation-building. I conclude in the words of Late Prof. C.K. Prahalad who said, "For large companies to be entrepreneurial, they have to create aspirations greater than their resources".

Jai Hind !