



KAUTILYA SCHOOL OF PUBLIC POLICY

GITAM (Deemed to be University)
Rudraram, Patancheru Mandal
Hyderabad, Telangana 502329

Course Code: PPOL6651	Course Title: Environmental Social and Governance (ESG)	
Trimester: 5	Course Type: Elective	Credits: 3
Home Program(s): MPP	Batch/Academic Year: 2022-2024	
Course Lead: Ms. Leela Raina & Ms. Aditi Jha	Assigned T/RA: Ms. Shreshtha	

Course Description

This course offers insight into ESG convergence, given the impact on global commitments. While ESG is often spoken of in terms of corporates, there are multiple stakeholders involved with interconnected interests.

Students will learn the fundamentals of Environment, Social and Government and understand why it is becoming a market and public sector norm. Students will also learn fundamentals of ESG reporting, investing and policy drivers.

This course will help students gain critical insights into ESG, and the ability to manage investments with a strong focus on the integration of the ESG factors.

The course will also help students draw distinctions between ESG and CSR, ESG investing, and financial market requirements. Particular focus has been accorded to ESG investing in India, its nuances, and challenges.

Students will also learn how global financial system is slowly (albeit surely) moving towards sustainability, sustainable ESG compliant investing and sustainable ESG compliant reporting. Students will understand and evaluate the challenges firms face when it comes making a business case for ESG compliant investing in a highly competitive margin driven business world.

While ESG investing in an asset is only possible when that given asset has a certain ESG value. ESG can only be determined through ESG reporting.

By the end of this course, students would be able to understand the importance of ESG reporting, and risks and rewards associated with ESG investing.

Learning Objectives

1. Familiarize students with the key ESG concepts, its interconnectedness, and global commitments.
2. Examine how ESG can contribute toward business resilience.
3. Be able to compare, analyse and critique ESG practices across the industry.
4. Understand key concepts and application of ESG investing, and trends in financial markets.
5. Be able to apply key concepts of ESG with particular reference to India.

6. Understand and apply ESG related national and international policy frameworks and apply them to your core domain of business or public policy
7. Understand the ethical and leadership challenges which confront ESG compliance.

Course Outcomes

Upon successfully completing this course, students will be able to:

1. Understand the interrelation between ESG compliance and global commitments.
2. Be able to analyse the relation between business resilience and ESG.
3. Be able to report, monitor, and apply ESG.
4. Be able to carry out ESG investing and apply the same in capital markets and ensure sustainability.
5. Be able to identify and strategize ESG investing in India.
6. Be conversant with the ethical and leadership challenges in ESG.

Course Schedule

Unit I	Sessions: 3	ESG Framework: History and interconnectedness
ESG History and Development Social Responsible Investing International Policies as driver towards ESG UN PRI Theoretical Framework: ESG and Firm value		
UNIT II	Sessions 4	ESG and Corporations
How Companies assess their ESG Parameters? Introduction to Sustainable Reporting Sustainable Development Goals as a mapping Framework Voluntary disclosure and the subjectivity of assessment. India and ESG performance Analysing the Big 4		
Unit III	Sessions: 4	Government and ESG Regulatory Frameworks
ESG Investing in developed and emerging markets ESG in India: SEBI and BSRS Stakeholder and Investor concerns: ESG Financial Investing and Performance ESG integration versus ESG investing Sustainable finance: Is the market ready?		
Unit IV	Sessions: 4	ESG Reporting and Compliance
Hand Print vs. Foot Print Carbon Footprint Life Cycle Analysis Integrated Reporting Framework SASB Sustainability Reporting Framework		
Unit V	Session: 5	ESG Investing and Portfolio Management

Business Models and Business Case that Drive Change Risk Premia Risk Materiality and Risk adjusted ratios. Commonly used ESG reporting guidelines/standards ESG Rating Providers: Methodological Analysis Incorporating ESG Investments into Portfolio Management Exclusion based ESG Investing Integration based ESG Investing Impact-based ESG Investing Engagement-based ESG Investing		
Unit V1	Sessions: 4	ESG and Sustainability challenges
ESG and SDG: Exploring Risk Immateriality ESG and Sustainability Real Estate Relationships Automobile Industry ESG Leadership and Ethics Policy Implications of ESG		

Recommended Books and Readings (will be updated with 2023 readings closer to date)

Books:

Hill, J. (2020). *Environmental, social, and governance (ESG) investing: A balanced analysis of the theory and practice of a sustainable portfolio*. Academic Press.

Sherwood, M. W., & Pollard, J. (2018). *Responsible investing: An introduction to environmental, social, and governance investments*. Routledge.

Readings:

Agliardi, E., & Agliardi, R. (2019). Financing environmentally-sustainable projects with green bonds. *Environment and Development Economics*, 24(6), 608-623.

<https://doi.org/10.1017/s1355770x19000020>

