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## ESG Framework Supporting Sustainable Development Goals (SDGs) in India: A Framework for Sustainable and Responsible Growth

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### **Abstract:**

*Sustainable development has emerged as a central concern for all human beings in the 21st century, shaping global policy and development discourse. The Sustainable Development Goals (SDGs), introduced by the United Nations in 2015, provide a structured framework to promote sustainable livelihood of human being as an economic progress, environmental sustainability, and social justice. Alongside this, the Environmental, Social, and Governance (ESG) framework has gained prominence as a practical tool for assessing corporate sustainability and their ethical performance. ESG indicators help stakeholders—including investors, policymakers, and civil society—understand how organisations address environmental challenges, fulfill social responsibilities, and maintain governance standards.*

*In the Indian context, the convergence of ESG principles with SDG objectives has become increasingly significant due to rapid industrial growth and investment from all over world, Today India is fast growing economy so that we need to emphasis on rising environmental concerns, and persistent social inequalities. This paper examines how ESG frameworks contribute to achieving SDGs in India also how should we need to aline business activities. It explores the conceptual linkages between ESG components and SDG targets, reviews existing regulatory and institutional mechanisms, and evaluates the role of corporate practices in advancing sustainable development. Special attention is given to policy instruments such as Business Responsibility and Sustainability Reporting (BRSR), CSR provisions under the Companies Act 2013, and national sustainability guidelines.*

*The study finds that ESG serves as a vital mechanism for promoting responsible business behavior, how it is important that sustainable investments lead environmental protection, and inclusive growth. However, issues such as inconsistent reporting standards, negligence related to policies, limited awareness, and lack of uniform metrics continue to challenge effective implementation and alinement of ESG. Strengthening institutional frameworks, improving transparency, and encouraging multi-stakeholder collaboration are essential to fully harness of ESG's potential in achieving sustainable development in India.*

**Keywords:** ESG, Sustainable Development Goals, Corporate Sustainability, India, CSR, Governance, Environmental Responsibility

## **1. Introduction:**

From Last decades, sustainable development has become a major priority for governments, administrators and international organisations. The adoption of the 2030 Agenda by the United Nations in 2015 marked a significant step in addressing global challenges with help of 17 Sustainable Development Goals (SDGs). These goals aim to tackle issues related to livelihood of all human being -such as poverty, inequality, health, climate change, environmental degradation while promoting peace and justice.

India, being one of the fastest-growing economies with a population of over 1.4 billion, plays a crucial role in achieving these global targets. However, the country continues to face multiple development challenges and obstacles, including day by day increment in unemployment, health, poverty, environmental stress, rapid urbanisation, and socio-economic disparities. Addressing these issues requires coordinated efforts from the government, private sector, civil society, and international agencies.

In this context, the Environmental, Social, and Governance (ESG) framework has gained importance as a structured approach to promote responsible business practices. ESG provides a set of measurable criteria to evaluate how organisations perform in terms of environmental protection, social responsibility, and governance standards.

The adoption of ESG practices enables companies to integrate sustainability into their business strategies. It enhances transparency, reduces environmental risks, builds stakeholder trust, and contributes to long-term development outcomes. In India, ESG adoption has accelerated due to regulatory initiatives such as the National Guidelines on Responsible Business Conduct (NGRBC) and the Business Responsibility and Sustainability Reporting (BRSR) framework introduced by SEBI.

The alignment between ESG and SDGs is particularly relevant, as ESG activities directly support several SDG targets. For instance, environmental practices contribute to climate action (reduction of carbon), social initiatives promote gender equality and decent work, and governance standards strengthen institutional integrity. This paper explores these interconnections and evaluates how ESG frameworks support sustainable development in India as well as its importance for Indian context.

## **2. Conceptual Framework of ESG and SDGs:**

### **2.1 Environmental, Social, and Governance (ESG):**

#### **Environmental (E) :**

Environmental concern starts with consumption of energy; more traditional energy consumption increases more environmental issues. The environmental dimension focuses on how business activities affect natural resources and ecosystems. It includes aspects such as climate change mitigation, energy efficiency, waste management, and sustainable resource use. Organisations that

adopt environmentally responsible practices contribute to ecological balance and long-term sustainability.

### **Social (S):**

In reality as result of the discovery of wheel and its use in advanced machines in all over world industrialisation has been exploiting nature and the social component examines how organisations interact with employees, communities, and stakeholders. It emphasizes fair labor practices, workplace safety, gender equality, diversity, and community development. Respect for human rights and inclusive growth are central to this dimension. By prioritising social well-being, businesses contribute to reducing inequalities and strengthening societal relationships.

### **Governance (G):**

Governance responsible to align, relates to the systems and processes through which organisations are managed and controlled. It includes transparency, accountability, ethical conduct, board diversity, and anti-corruption measures. Strong governance ensures responsible decision-making, builds stakeholder confidence, and supports sustainable business operations.

## **2.2 Sustainable Development Goals (SDGs):**

The SDGs consist of 17 interconnected goals aimed at achieving sustainable development of globe by 2030. These goals address key global challenges across economic, social, and environmental dimensions.

They include eliminating poverty and hunger, improving health and education, achieving gender equality, ensuring access to clean water and energy, promoting economic growth and employment, and supporting sustainable infrastructure and innovation. Additionally, the SDGs emphasize reducing inequalities, building sustainable communities, encouraging responsible consumption, addressing climate change, and protecting ecosystems both on land and in water. The goals also highlight the importance of peace, justice, strong institutions, and global partnerships. Together, they form a comprehensive framework for creating a more equitable and sustainable world. Achieving these goals requires active participation from governments, businesses, and civil society.

## **3. Literature Review:**

Existing research highlights a strong relationship between ESG practices and sustainable development outcomes. Studies indicate that ESG reporting enhances transparency and allows business and investors to evaluate long-term sustainability performance. Corporate Social Responsibility (CSR), when aligned with SDGs, has been found to contribute significantly to community development, environmental protection, and poverty reduction.

In India, CSR provisions under the Companies Act 2013 have strengthened corporate involvement in social development sectors such as education, healthcare, and environmental conservation. Recent literature also emphasizes the need to integrate ESG reporting with national

sustainability indicators to ensure better alignment with development priorities.

Furthermore, scholars suggest that companies aligning ESG strategies with SDGs benefit from improved reputation, better risk management, and stronger stakeholder relationships.

#### **4. ESG Regulatory Framework in India:**

##### **4.1 Companies Act 2013 and CSR:**

The Companies Act 2013 introduced mandatory CSR spending, requiring eligible companies to allocate 2% of their average profits to social development activities. This has significantly increased corporate engagement in sectors such as education, health, environmental sustainability, rural development, and gender equality.

##### **4.2 Business Responsibility and Sustainability Reporting (BRSR):**

The BRSR framework introduced by SEBI mandates the top 1,000 listed companies to disclose ESG-related information. It improves transparency, standardizes reporting, and aligns Indian practices with global sustainability frameworks.

##### **4.3 National Guidelines on Responsible Business Conduct (NGRBC):**

The NGRBC outlines principles for ethical and responsible business practices, including environmental protection, employee welfare, and stakeholder engagement. These guidelines form the foundation of ESG adoption in India.

#### **5. ESG Contribution to SDGs in India:**

##### **5.1 Environmental Contributions:**

ESG-driven environmental initiatives support climate action and sustainability through renewable energy adoption, emission reduction, waste management, and sustainable agriculture. These efforts align with India's commitment to achieving net-zero emissions by 2070.

##### **5.2 Social Contributions:**

The social dimension supports SDGs related to education, healthcare, gender equality, and employment. CSR initiatives have played a vital role in improving living conditions in both rural and urban areas.

##### **5.3 Governance Contributions:**

Good governance practices promote transparency, accountability, and ethical conduct. These contribute to building strong institutions and enhancing investor confidence, thereby supporting sustainable development.

#### **7. Challenges in ESG Implementation in India:**

Despite progress, ESG implementation in India faces several challenges. One major issue is the absence of standardized reporting frameworks, leading to inconsistencies and difficulty in comparing performance across companies.

Limited awareness and technical expertise also hinder ESG adoption. Basically, most of

industrialist, shareholders, stakeholders are not aware about this concept, especially among smaller organisations. Many companies still view ESG as a compliance requirement rather than a strategic approach. So that most of time they try to do it on paper only. Data collection and reporting remain problematic due to lack of reliable systems and standardised indicators. Regulatory complexity further adds to the burden, as companies must navigate multiple overlapping guidelines.

Financial constraints, particularly for small and medium enterprises, restrict their ability to invest in sustainability initiatives. To address these challenges, there is a need for standardized ESG metrics, capacity-building initiatives, promotion of sustainable finance, and stronger public–private partnerships. The use of digital technologies can also improve data accuracy and monitoring.

In practical terms, reducing the carbon footprint is a shared responsibility that extends across the entire value chain—from producers to end users. Producers have a critical role in integrating sustainability practices not only in their production processes but also across both upstream (supply chain) and downstream (distribution and consumption) activities. At the same time, individuals, as responsible citizens, must adopt environmentally conscious behaviors in their daily lives.

However, the current situation reflects a concerning reality. The overall environmental condition, particularly in terms of carbon emissions, remains critical and demands urgent attention. One of the major gaps lies within the academic domain. There is insufficient emphasis on sustainability-oriented education, and academicians have not adequately integrated contemporary frameworks such as Environmental, Social, and Governance (ESG) into teaching and research.

To address this gap, it is essential that all business stakeholders—ranging from industry leaders to consumers—develop a clear understanding of ESG principles. Without embedding ESG awareness and practices into the system, achieving the Sustainable Development Goals (SDGs) will remain a challenge. Therefore, incorporating ESG frameworks into academic curricula is not just desirable but necessary. It will help build a generation of informed professionals who can contribute effectively to sustainable development and responsible governance.

## **9. Conclusion:**

The ESG framework has become an important instrument for advancing sustainable development in India. By integrating environmental, social, and governance considerations into business operations, organizations can contribute significantly to achieving SDGs.

India has made notable progress through regulatory measures such as CSR mandates, BRSR reporting, and responsible business guidelines. However, challenges related to awareness, reporting standards, and financial capacity continue to limit effectiveness. Strengthening policy frameworks, improving measurement systems, and encouraging collaboration among stakeholders are essential for maximizing ESG impact. In the long run, ESG offers a strategic pathway for businesses to support sustainable development while ensuring economic growth and competitiveness.

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