



One of the developments in Reporting systems in recent times has been in 'Integrated Reporting'. It is in the perspective of Value creation by the Organisation that in addition to the conventional Financial Statements that give insight into the past, the ESG (Environment, Social and Governance) Reporting would provide an integrated view of the organisation.

Association of Chartered Certified Accountants (ACCA), founded in 1904, is a Global body for professional accountants having presence in 180 countries. IOD and ACCA joined together in organizing a workshop at Hyderabad on Thursday, September 26, 2019 evening at Hotel Taj Vivanta. The theme of the event was: *"Integrated Reporting System"*. ACCA Global Survey Report titled "Tomorrow's Capitalism: Social & Environmental Value Creation" was also launched on this occasion. The workshop drew lot of interest with over 100 corporate professionals, Chartered Accountants, Leaders from Industry and Academia who participated in the deliberations and Q&A.

Mr. Md. Sajid Khan, Head of International Development, ACCA in his Welcome Remarks informed that ACCA helps in development of Skills, Competencies, Ethics, Governance standards and carries out Research work in the field of Professional Accounting. ACCA & IOD have a

MoU to work very closely in a strategic way on finding solutions to contemporary issues and be valuable partners to co-create value to their members.

He noted that the survey report being launched as part of the workshop is very also topical and part of ACCA's Research efforts. The Report, he observed, takes note of UN SDGs, assessing their Impact and aims at assisting Policy makers as well as Professionals – in achieving inclusive and sustainable prosperity. The report examines the role of business in rethinking value creation, and the rise of importance in Environmental, Social and Governance (ESG) issues for investors. Using big data analysis, it examines corporate disclosures on key ESG issues, and provides decision-making approaches to create inclusive and sustainable value over the long-term.

Mr. B. Kalyan Chakravarthy, IAS, Director General, Environment Protection Training and Research Institute (EPTRI) in his Special Address, emphasized the need for social equalization and addressing environmental concerns. In this regard, he professed each organization to address three major concerns: 'How do we really reduce pollution?', 'How do we really understand value chains?' and



Mr. T. V. Shiva Rao
Hon. Secretary, IOD Hyderabad Chapter delivering the Welcome Address



Lighting of Lamp by **Mr. Robert Stenhouse**, President, Association of Chartered Certified Accountants (ACCA), UK



The Distinguished Panel (L - R) - **Mr. Arun Balakrishnan**, founder Chairman & Independent Director, HPCL-Mittal Energy Ltd. (HMEL) & former CMD, HPCL and Chairman, IOD Bengaluru Region, **Mr. Suresh Chukkapalli**, Chairman, Phoenix Group & Hony. Consul General of Republic of Korea & Hony. Chairman, IOD Hyderabad, **Mr. Somesh Kumar, IAS**, Special Chief Secretary (Revenue, Registration, Stamps & Excise), Telangana State Government, **Mr. Robert Stenhouse**, President, Association of Chartered Certified Accountants (ACCA), UK, **Mr. B. Kalyan Chakravarthy, IAS**, Director General, Environment Protection Training and Research Institute (EPTRI), and **Mr. Md Sajid Khan**, Head of International Development, Association of Chartered Certified Accountants (ACCA)



Mr. Md. Sajid Khan
Head of International Development
Association of Chartered Certified Accountants (ACCA) - delivering Opening Remarks.



Mr. B. Kalyan Chakravarthy, IAS
Director General, EPTRI- Environment
Protection Training and Research Institute
delivering Special Address.



Mr. Arun Balakrishnan
founder Chairman & Independent Director
HPCL-Mittal Energy Ltd. (HMEL) & former
CMD, HPCL and Chairman, IOD Bengaluru
Region delivering Keynote Address.



Mr. Suresh Chukkapalli
Chairman, Phoenix Group & Hony. Consul
General of Republic of Korea & Hony.
Chairman, IOD Hyderabad Region
delivering Chairman's Address.



Mr. Robert Stenhouse
President, Association of Chartered
Certified Accountants (ACCA), UK
delivering the Theme Address.



Mr. Somesh Kumar, IAS
Special Chief Secretary (Revenue,
Registration, Stamps & Excise),
Telangana State Government - delivering
Chief Guest Address.

'What does it mean to Biodiversity?' He said, being carbon neutral is required sector-by-sector and reducing GHG (greenhouse gas) emissions is non-negotiable.

Mr. Arun Balakrishnan, founder Chairman & Independent Director, HPCL-Mittal Energy Limited (HMEL) & former CMD, HPCL and present Chairman, IOD Bengaluru Region in his Keynote Address on 'Integrated Reporting' (IR) said that IR is financial reporting plus ESG (Environment, Social and Governance) for short, medium and long term goals. He identified IR with Six components, and these are: Financial capital, Manufacturing capital, Intellectual capital, Human capital, Social capital and Natural capital. He underlined that organization culture will have a impactful role in measuring, monitoring and reporting of these different components. He said, for IR to have its true meaning, organization shall be clear about its Purpose, Values and Ethical standards. He noted that governance is more than compliance, and is what earns customers' trust.

Mr. Suresh Chukapalli, Chairman, Phoenix Group & Hon' Consul General of Republic of Korea & Hon' Chairman, IOD Hyderabad Region while addressing the gathering, advocated that each individual

has a responsibility to serve the environment in personal as well as in professional life. He said either through CSR mandatory regulations or otherwise, each organization should attempt to do beyond the regulations with the aim of giving back to the society.

Delivering the Theme address, **Mr. Robert Stenhouse**, President, ACCA referred to the Big five challenges in Value creation: Better environmental performance associated with climate changes; Greater demands for information; Fear over risks of climate change; Consumers' shifting preferences and lastly, Business-as-usual is broken. He said public interest is better served by: Disclosing and managing risks, Understanding liabilities, Exploring opportunities to participate in a changing economy that is decoupled from environmental degradation and re-coupled to societal benefit. He felt recognition to financial sector should happen through digital transformation. In the development of a company, he said all the stakeholders - government, regulatory agencies, company management and investor community should be involved.

Mr. Somesh Kumar, IAS, Special Chief Secretary (Revenue, Registration, Stamps & Excise), Telangana State Government was the Chief Guest of the evening. In his Address, Mr. Kumar highlighted that reports need to be simple, meaningful and purposeful. He advocated that importance shall be given to Transparency, Compliances, Accountability and free of Conflict-of-

Interest. He felt companies face struggles due to favouritism or due attention not given to details at right time. The need of the hour with regard, are the nuances in financial statements, for intangible assets, he observed.

The Summary of Recommendations was:

1. Being carbon neutral is required sector-by-sector and reducing GHG (greenhouse gas) emissions is non-negotiable.
2. ESG Reporting in addition to Financial Reporting is the need of the hour.
3. The need is to move beyond compliance in reporting, and investing in societal responsibilities.
4. Data driven understanding for effective monitoring of SDG goals.
5. Simplified, integrated reports for ease of understanding.

Compiled by:

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Regional Director, IOD Hyderabad Region



The audience view

2nd Evening Workshop on
**“Social & Environmental
 Value Creation”**

September 26, 2019, Hyderabad