The Greening of Corporate India: From Commitments to Credibility

In December 2024, IiAS assessed the climate commitments of NIFTY50 companies, examining their Net Zero and Carbon Neutrality targets - which companies had set them, the timelines attached, and how these measured up against India's national climate agenda and global benchmarks. One year on, we have widened our lens from the NIFTY50 to the top 500 listed companies as on 31 March 2025.

This image has been created using ChatGPT

In December 2024, IiAS assessed the climate commitments of NIFTY50 companies, examining the presence and timelines of Net Zero and Carbon Neutrality targets, and their alignment with India's climate goals and global benchmarks. One year on, the lens has widened to the top 500 listed companies[1], and the picture is more complex.

Coverage is improving but remains limited. The share of NIFTY50 companies with disclosed targets has risen from 62% to 70%, while across the top 500, only 213 companies (43%) have set a Net Zero or Carbon Neutrality goal. More importantly, as disclosures deepen, the question is no longer whether companies have targets, but whether those targets are meaningful - how they are

[1] Top 500 by market capitalization, as on 31 March 2025

constructed, how far they are deferred, and whether they are supported by credible pathways.

Net Zero and Carbon Neutrality: a recap

Net Zero[2] refers to reducing greenhouse gas emissions across a company's value chain, including Scope 1, Scope 2, and material Scope 3 emissions, and balancing any remaining emissions with credible offsets. It is a broader and more demanding goal, since it typically requires operational changes, supply-chain engagement and capital allocation aligned with decarbonization.

Carbon Neutrality[3] is usually narrower in scope. It is often limited to specific operations or types of emissions and may rely more heavily on offsets rather than reducing emissions across the full value chain. As a result, it is generally a less stringent goal than Net Zero.

FY25

The Top 500 perspective: distribution of climate targets

Our FY25 study expands the scope from the NIFTY50 to the top 500 listed companies, with disclosures assessed as of 30 September 2025. The analysis draws on company filings, sustainability reports, BRSR disclosures, and public announcements. Where companies have disclosed both Net Zero and Carbon Neutrality commitments, they have been classified under the more stringent Net Zero, consistent with our earlier approach.

Climate commitments: expanding, but not yet universal

The share of NIFTY50 companies with Net Zero or Carbon Neutrality targets has increased from 62% to 70% over the past year. Part of this change reflects index churn, with new entrants already having established targets. However, there has also been incremental progress within existing constituents, including upgrades in ambition and scope.

Since the previous review, State Bank of India has transitioned from a Carbon Neutrality goal to a Net Zero target, Bajaj Finserv has announced a Carbon Neutrality target for 2032, and ITC has set a Net Zero target for 2050 covering its operations.

Across the broader spectrum of top 500 listed companies, 213 companies (42.6%) have disclosed climate targets - 156 Net Zero and 57 Carbon Neutrality. While this signals growing adoption, commitments remain concentrated among larger companies and have yet to diffuse meaningfully across the wider market.

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[2] What is Net Zero? - Net Zero Climate

[3] Carbon neutral and net zero – what do these words mean? | World Economic Forum

As coverage expands, the analytical focus is shifting. The presence of a target is no longer sufficient; what matters is how it is framed - its timeline, scope, and the extent to which it is supported by a credible pathway to execution.

Carbon Neutrality: Near-term and long dated

Early movers: The 2020's cohort

A small group of companies has set near-term targets within this decade, placing them at the leading edge of current commitments.

Infosys has indicated that it has been Carbon Neutral since 2020. AstraZeneca Pharma India, Cipla, and Tanla Platforms have identified 2025 as their target year; the credibility of these commitments will become clearer with FY26 disclosures.

A similarly small set of companies has articulated near-term Net Zero targets for 2027–2028, including Anupam Rasayan India (2027) and Central Bank of India (2028).

Taken together, these companies stand out not just for earlier timelines, but for the immediacy they impose with operational action already underway to meet these compressed timelines.

The 2030 cluster

A significant number of companies have anchored their commitments to 2030, making it an emerging focal point for corporate climate timelines.

This includes companies such as ABB India, Dr. Reddy's Laboratories, Glenmark Pharmaceuticals, GMR Airports Infrastructure, Voltamp Transformers, Happiest Minds Technologies, IRCTC, IRFC, KPIT Technologies, L&T Technology Services, and Mankind Pharma.

The clustering around 2030 is not incidental; it sits within a realistic business planning horizon, close enough to require actionable strategies, yet distant enough to accommodate transition constraints.

In this sense, 2030 marks a boundary between commitments that require near-term execution and those that risk being deferred.

2070 sovereign alignment - and the missing roadmap

At the other end of the spectrum, several companies - particularly in capital-intensive and hard-to-abate sectors - have aligned their targets with India's sovereign Net Zero goal of 2070. These include Adani Enterprises, NTPC, Kotak Mahindra Bank, Shriram Finance, Steel Authority of India, and Power Finance Corporation.

While such alignment signals intent, it raises a more fundamental question on credibility. In many cases, these long-dated targets are not supported by clearly articulated transition pathways, interim milestones, or capital allocation plans.

As a result, they offer limited insight into near-term action. Without supporting detail, these commitments risk being perceived less as operational roadmaps and more as distant aspirations.

India's Climate Targets vs Corporate Timelines

India's own climate pathway continues to evolve. As part of its transition towards a net zero goal of 2070, the country has revised several interim targets. The share of non-fossil fuel-based energy is now targeted to increase to 60% by 2035, compared to the earlier goal of 50% by 2030. Similarly, the carbon sink target has been enhanced to 3.5 to 4.0 billion tonnes of CO_2 equivalent by 2035, up from 2.5 to 3.0 billion tonnes by 2030.

The emissions intensity reduction target has also been recalibrated from a 45% reduction by 2030 from 2005 levels to 47% by 2035. While these changes may appear incremental, they reflect the increasing complexity of decarbonisation as the transition progresses. With emissions intensity already reduced by 36% by 2020, further gains will require sustained structural shifts in energy systems and industrial processes.

Net Zero adoption: broader scope, longer timelines

Net Zero has emerged as the dominant form of climate commitment among companies that have disclosed targets, reflecting a shift towards more comprehensive decarbonisation frameworks. However, this shift is accompanied by longer timelines.

- Median Net Zero target year: 2050
- Median Carbon Neutrality target year: 2035

This divergence highlights a structural trade-off: companies adopting Carbon Neutrality tend to commit to nearer-term targets, while those opting for Net Zero allow for significantly extended timelines. In effect, greater ambition in scope is often paired with deferred timelines.

The distribution of targets reinforces this pattern. While a small group of companies has set near-term Net Zero goals (2027–2028), and many cluster around 2030, the overall distribution is skewed toward the 2040s and beyond, with some extending as far as 2070.

For investors, this shifts the analytical lens. The key question is no longer whether a company has a target, but whether the pathway is credible, time-bound, and supported by near-term execution.

Carbon Neutrality targets, while earlier dated, may be limited in scope. Net Zero targets, though more comprehensive, are often backended. Meaningful comparison therefore requires assessing both timeline and quality of commitment.

Ultimately, credibility will depend on how effectively companies translate long-term targets into measurable, near-term action.

Sectoral divergence: pioneers, constraints, and uneven adoption
Differences in timelines and target types are best understood through sectoral dynamics - particularly the feasibility of decarbonisation and the degree of control companies have over their emissions.

Pioneers: Information Technology and FMCG
These sectors show near-universal adoption, earlier timelines, and a clear tilt towards Net Zero commitment

Information Technology:
The IT sector remains at the forefront of target-setting, with companies such as Tata Consultancy Services (2030), Tech Mahindra (2035), HCL Technologies (2040), and Infosys (2040) leading within the NIFTY50. This momentum extends to mid-cap firms like Coforge, Happiest Minds Technologies, and L&T Technology Services, many of which are aligned to 2030.

This leadership is driven not only by lower direct emissions, but by the sector's ability to rapidly transition its electricity consumption. IT companies have been early adopters of renewable energy sourcing through power purchase agreements, open access mechanisms, and captive generation. Several companies have committed to sourcing a substantial proportion of their electricity from renewables, with some targeting near-complete transition over the next decade.

Fast-Moving Consumer Goods (FMCG):
FMCG companies also demonstrate strong adoption, driven in part by global parent commitments and supply-chain influence. Hindustan Unilever (2039), Tata Consumer Products (2040), and ITC (2050) illustrate this trend.

However, while coverage is strong, execution will increasingly depend on how effectively these companies address value-chain emissions, particularly across sourcing and distribution.

Constraints: Metals, Mining, and Construction Materials
These sectors show relatively high target coverage, predominantly through Net Zero commitments, but with significantly longer timelines - typically extending to

2045–2050 and beyond. This is commendable given emissions are hard to abate in these sectors and Net Zero is a far more stringent climate target.

Companies such as Tata Steel (2045) and UltraTech Cement (2050) illustrate this pattern. The extended timelines reflect structural constraints: reliance on fossil fuels, limited availability of viable low-carbon alternatives, and dependence on emerging technologies such as green hydrogen and carbon capture.

In these sectors, the challenge is less about intent and more about feasibility. As a result, the credibility of targets will hinge on how clearly companies articulate transition pathways and technology adoption plans.

Uneven adoption: Financial Services and Consumer Durables
These sectors show more mixed disclosure patterns, with greater reliance on Carbon Neutrality targets or interim commitments.

Financial Services:
Large institutions such as HDFC Bank (Carbon Neutral by 2032) have set near-term markers, and others have strengthened their commitments, most notably State Bank of India, which has moved to a Net Zero target across all scopes by 2055. Bajaj Finserv has also announced a Carbon Neutrality target for 2032.

However, many financial institutions remain cautious in setting end-dates, reflecting the complexity of measuring and reducing financed emissions - the carbon footprint of their lending and investment portfolios.

Consumer Durables:
Companies in this segment often operate complex and fragmented manufacturing networks. While some have yet to define full value-chain targets, many are pursuing aggressive operational improvements.

For example, Asian Paints is targeting 100% renewable electricity by 2030 while significantly reducing energy intensity. Titan has committed to operational Net Zero (Scope 1 and 2) and water positivity by 2030, even as it continues to build out its Scope 3 roadmap.

These approaches indicate progress but also highlight the gap between operational improvements and full value-chain commitments.

Conclusion: from commitments to credibility
Corporate India is making progress on decarbonisation, but the pace and quality of that transition remain uneven. The latest assessment reflects clear movement: NIFTY50 coverage has increased to 70%, climate target-setting has expanded across the broader market (213 companies in the top 500), and Net Zero has emerged as the dominant framework.

However, this progress is accompanied by a shift in commitments. Timelines are increasingly back-ended, and many long-term targets are not supported by clearly articulated pathways, interim milestones, or capital allocation plans.

As disclosures mature, the bar for credibility is rising. The presence of a target is no longer sufficient - what matters is the substance behind it: the scope of emissions covered, the clarity of interim milestones, the alignment of capital allocation, and demonstrable evidence of execution.

The next phase of the transition will be defined by whether companies can translate long-term ambition into near-term action. Absent that, commitments risk remaining statements of intent rather than drivers of change.

Exhibit 1

Net Zero Target Disclosures											
2027	**2030**				**2032**	**2033**	**2035**			**2038**	**2039**
Anupam Rasayan India	Marico	Union Bank of India	GMR Airports Infrastructure	Tata Consultancy Services	Sammaan Capital	Eternal	Godrej Consumer Products	Tech Mahindra	Engineers India	Mangalore Refinery and Petrochemicals	Hindustan Unilever
2028	Yes Bank	KPIT Technologies	United Spirits	Voltamp Transformers			Inox Wind	Reliance Industries	GAIL (India)		
Central Bank of India	Motherson Sumi Wiring India	Indian Railway Catering And Tourism Corporation	Indian Railway Finance Corporation					Tata Communications			
2040						**2045**			**2046**	**2047**	**2048**
Infosys	JBM Auto	Oberoi Realty	Zensar Technologies	Welspun Living	Pfizer	Tata Motors	Dabur India	Tejas Networks	Chennai Petroleum Corporation	Power Grid Corporation of India	Ashok Leyland
Colgate Palmolive (India)	Hindustan Petroleum Corporation	Nippon Life India Asset Management	Tata Consumer Products	NMDC	Chalet Hotels	Trent	Tata Power Company	Tata Steel	Indian Oil Corporation	Bharat Heavy Electricals	
Wipro	Petronet LNG	Cyient	Samvardhana Motherson International	Ramkrishna Forgings		Sanofi India	Titan Company	Tata Investment Corporation		JK Lakshmi Cement	
LTIMindtree	United Breweries	Bharat Petroleum Corporation	Adani Ports and Special Economic Zone	Lupin		Brigade Enterprises	Adani Total Gas	Vardhman Textiles		Jindal Steel & Power	
HCL Technologies	Oil India	Gujarat Pipavav Port	Schaeffler India	Jyothy Labs		The Indian Hotels Company	Tata Teleservices (Maharashtra)	Voltas			

Source: IiAS Research, Company filings

- Infosys achieved Carbon Neutrality in 2020
- Indian Energy Exchange achieved Carbon Neutrality in 2022

Net Zero Target Disclosures

2050											
Persistent Systems	Grindwell Norton	JSW Infrastructure	Sun Pharmaceutical Industries	Hindustan Zinc	Ambuja Cements	Nestle India	Aster DM Healthcare	IDFC First Bank	Castrol India	Carborundum Universal	Westlife Foodworld
Sonata Software	Adani Energy Solutions	Alembic Pharmaceuticals	PCBL	Godrej Properties	HFCL	Aditya Birla Real Estate	CIE Automotive India	Granules India	EIH	Force Motors	Shree Cement
BIRLASOFT	Firstsource Solutions	Exide Industries	The Great Eastern Shipping Company	BASF India	Apollo Tyres	Amara Raja Energy & Mobility	UltraTech Cement	Aditya Birla Fashion and Retail	Hitachi Energy India	Jindal Stainless	The Ramco Cements
Bharti Airtel	Macrotech Developers	Siemens	Himadri Speciality Chemical	Aditya Birla Capital	Suven Pharmaceuticals	GE Vernova T&D India	Blue Dart Express	Hindalco Industries	JSW Energy	Grasim Industries	Astral
eClerx Services	UNO Minda	APL Apollo Tubes	Indus Towers	Varun Beverages	Karur Vysya Bank	Adani Green Energy	ACC	CEAT	Oracle Financial Services Software	ITC	Poly Medicure
Oil & Natural Gas Corporation		IIFL Finance	Redington	Jai Balaji Industries	JK Cement	Gujarat Fluorochemicals	Intellect Design Arena	Star Cement	SKF India	Godawari Power And Ispat	

2055	2057	2065	2070								
State Bank of India	Bank of Baroda	KEC International	Kirloskar Oil Engines	Kirloskar Brothers	Adani Enterprises	Adani Power	Suzlon Energy	Signatureglobal (India)	SJVN	Steel Authority of India	Canara Bank
			Tube Investments of India				Power Finance Corporation				

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Exhibit 2

Carbon Neutrality Target Disclosures											
2025	**2030**		**2032**	**2033**	**2035**	**2040**		**2043**	**2045**	**2050**	**2070**
Cipla Limited	Dr. Reddy's Laboratories Limited	L&T Technology Services Limited	HDFC Bank Limited	JB Chemicals & Pharmaceuticals Limited	Zydus Lifesciences Limited	Mahindra & Mahindra Limited	Larsen & Toubro Limited	Metropolis Healthcare Limited	Tata Chemicals Limited	Natco Pharma Limited	Maruti Suzuki India Limited
AstraZeneca Pharma India Limited	SBI Cards and Payment Services Limited	ABB India Limited	ICICI Bank Limited		L&T Finance Holding Limited	ZF Commercial Vehicle Control Systems India Limited	Kalpataru Projects International Limited		Tata Technologies Limited	Aavas Financiers Limited	
Tanla Platforms Limited	MphasiS Limited	Happiest Minds Technologies Limited	Bajaj Finserv Limited	**2034**	Honeywell Automation India Limited	Narayana Hrudayalaya Ltd.	Dalmia Bharat Limited		Shriram Pistons & Rings Limited	JK Tyre & Industries Limited	
Vedant Fashions Limited	Tata Elxsi Limited	Glenmark Pharmaceuticals Limited	IndusInd Bank Limited	RBL Bank Limited	Godrej Agrovet Limited	Mahindra Lifespace Developers Limited	Zydus Wellness Limited		Sundram Fasteners Limited	3M India Limited	
Adani Power Limited	Bosch Limited	Mankind Pharma Limited			Dixon Technologies (India) Limited	Bharat Forge Limited	Welspun Corp Limited			Havells India Limited	
	Hero MotoCorp Limited	Godfrey Phillips India Limited			BLS International Services Limited	UPL Limited	Coforge Limited			Escorts Kubota Limited	
										Vedanta Limited	
										JSW Steel Limited	
										MRF Limited	

Source: IiAS Research, Company filings

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