



# Voices on Reporting

26 July 2023

—

[kpmg.com/in](https://kpmg.com/in)



# Speakers for the webinar



**Ruchi Rastogi**

**Partner**  
Assurance  
KPMG in India



**Saurabh Kamdar**

**Associate Partner**  
ESG and Lead – Sustainable Finance  
KPMG in India



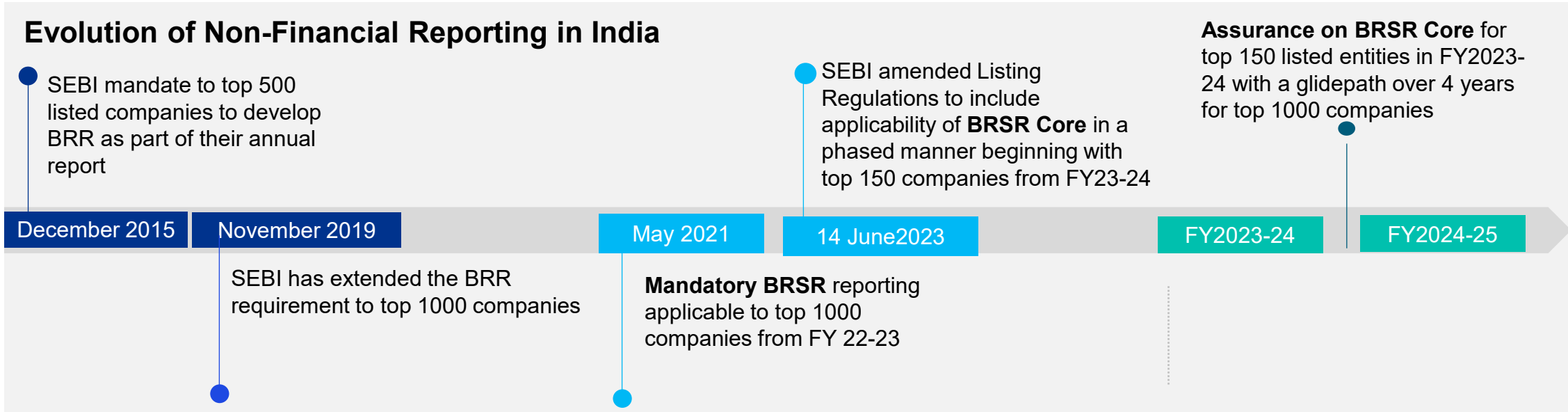
**Anand Kulkarni**

**Technical Director**  
ESG  
KPMG in India

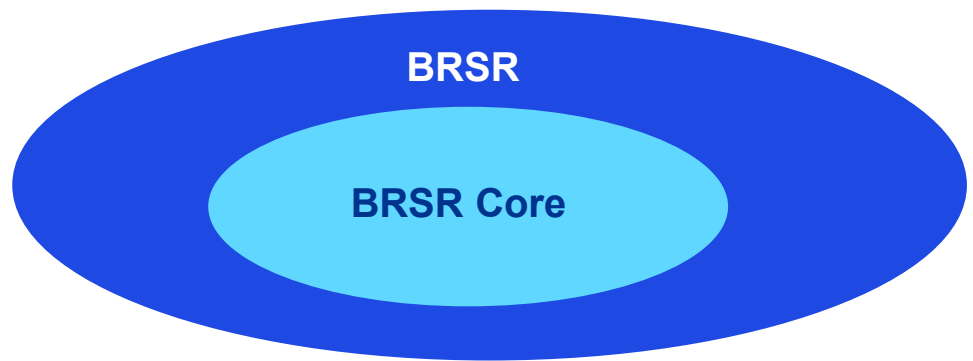


# BRSR reporting – an overview

# Evolution of BRSR reporting – Timeline



**BRSR framework**



# What is BRSR?



## Introduction

The Securities and Exchange Board of India (SEBI), in May 2021 came out with ESG related disclosure requirements named BRSR for top 1000 listed companies.



## The Basis

BRSR seeks disclosures from listed entities on their performance against nine principles of 'National Guidelines on Responsible Business Conduct' (NGRBC).



## The Purpose

BRSR is intended towards having quantitative and standardised disclosures on ESG parameters to enable comparability across companies, sectors and time. Listed companies disclosing information against other frameworks like GRI (Global Reporting Initiative), SASB (Sustainability Accounting Standards Board), TCFD (Task Force on Climate-Related Financial Disclosures), Integrated Reporting (IR) can align and sought to reference it with BRSR



## The Outcome

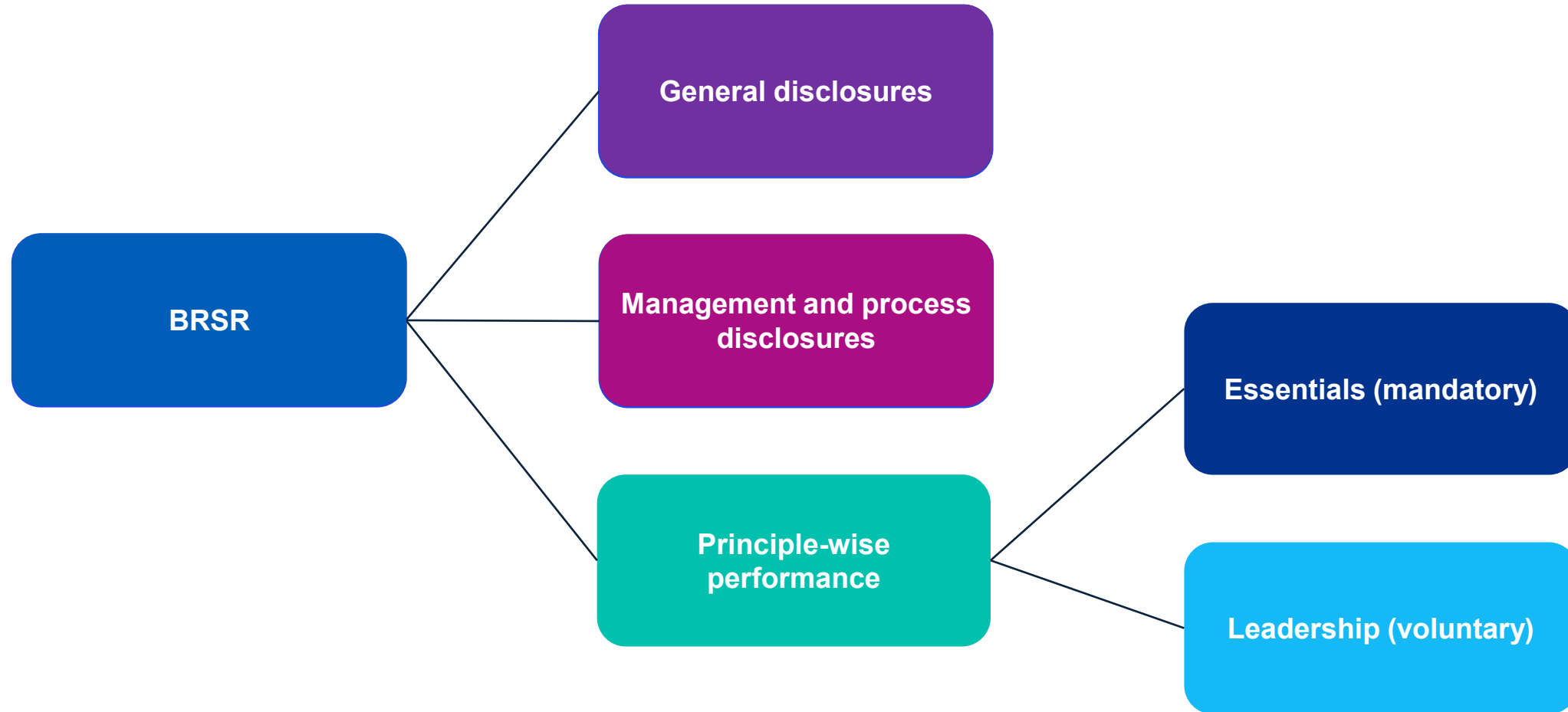
The disclosures will help investors in better investment decision making, along with businesses to effectively engage with their stakeholders on non-financial aspects.

### Applicability for filing of BRSR Comprehensive:

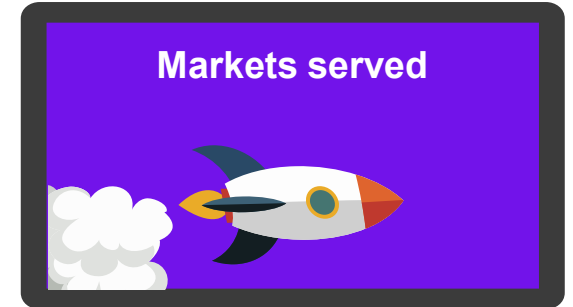
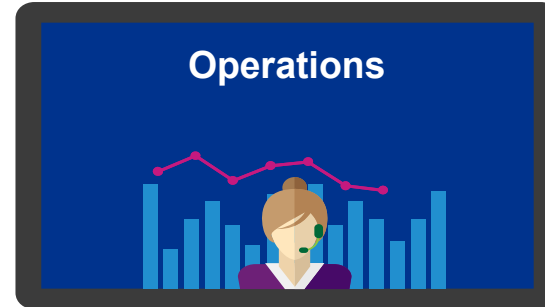
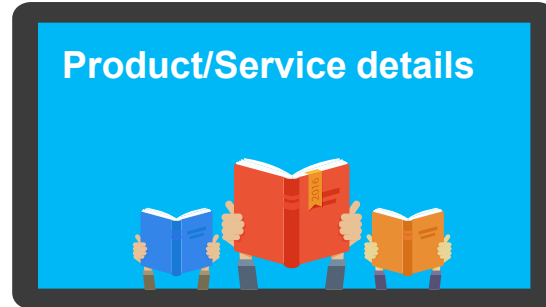
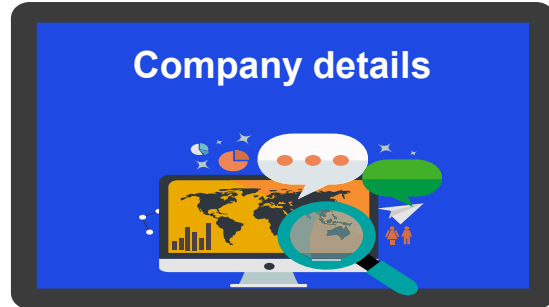
- **Mandatory from FY 2022-23:** For top 1,000 listed entities by market capitalisation\*
- **Voluntary for other companies from FY 2021-22 onwards :** Listed companies (other than top 1,000) and companies which have listed their specified securities on the Small and Medium Enterprises (SME) exchange

\* Market capitalisation shall be calculated as on 31 March of every financial year (SEBI LODR Regulation 34(2)(f)).

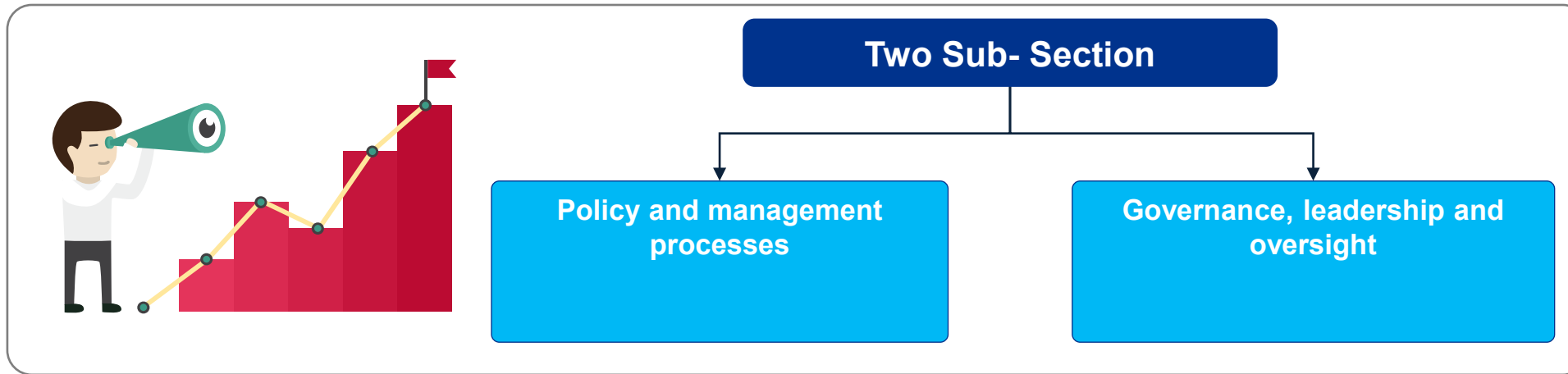
# BRSR - Format overview



# BRSR Section A - General disclosures

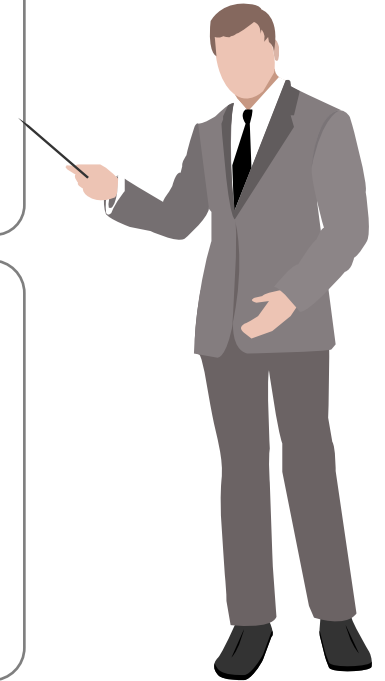


# BRSR: Section B - Management and process disclosures



The disclosures in this section would enable listed companies to demonstrate structures, policies and processes put in place by them towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) principles and core elements.

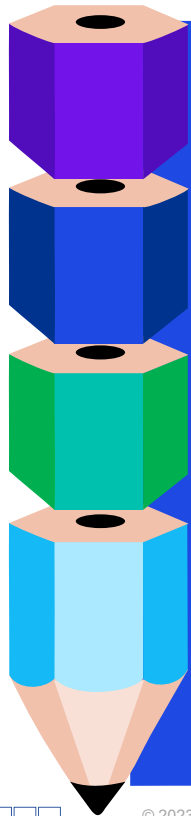
The text is presented in a large blue box. To the left of this box is an illustration of five business professionals sitting around a table, engaged in a meeting and working on laptops and documents.





# BRSR: Section C - Principle wise performance disclosure

This section is aimed at helping entities demonstrate their performance in integrating the principles and core elements with key processes and decisions. The information sought is categorised as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.



- **Principle- 1:** Business should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable
- **Principle- 2:** Business should provide goods and services in a manner that is sustainable and safe
- **Principle- 3:** Business should respect and promote the well-being of all employees, including those in their value chains
- **Principle- 4:** Business should respect the interests of and be responsive to all its stakeholders
- **Principle- 5:** Business should respect and promote human rights
- **Principle- 6:** Business should respect and make efforts to protect and restore the environment
- **Principle- 7:** Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
- **Principle-8:** Businesses should promote inclusive growth and equitable development
- **Principle-9:** Businesses should engage with and provide value to their consumers in a responsible manner.



# BRSR Core: Metrics and data for providing assurance



(Source: SEBI circular date 14 July 2023)

Refer [Annexure I](#) for the format of BRSR Core

# BRSR Core - Assurance

- Mandatory assurance on BRSR Core and for value chain of listed entities.

## Assurance glide path for BRSR Core



\*BRSR disclosure (including BRSR Core):

# ESG disclosures for value chain

## F.Y. 2024-25

- ESG disclosures as per BRSR Core, for value chain of top 250 companies on comply or explain basis
- Assurance **not mandatory**



## F.Y. 2025-26

- ESG disclosures as per BRSR core, for value chain of top 250 companies on a comply or explain basis
- Assurance **on comply or explain basis**



- **Composition of value chain**

- The value chain should encompass the top upstream and downstream partners of a listed entity, cumulatively comprising 75 per cent its purchases/sales (by value) respectively.
- Such reporting may be segregated for upstream and downstream partners or can be reported on an aggregate basis.
- The scope of reporting and any assumptions or estimates, if any, should be clearly disclosed.

- **Reporting format**

- Disclosures for value chain should be made by the listed entity as per BRSR Core, as part of its annual report.

# Assurance provider

Following requirements should be evaluated by the listed entity while appointing an assurance provider:

- **Expertise:** The board of the listed entity should ensure that the assurance provider of the BRSR Core has the necessary expertise, for undertaking reasonable assurance.
- **Independence:** The listed entity should ensure that there is no conflict of interest with the assurance provider appointed for assuring the BRSR Core disclosures. Further, it should be ensured that the assurance provider or any of its associates do not sell its products or provide any non-audit/non-assurance related service including consulting services, to the listed entity or its group entities.



# Panel discussion

# **BRSR Core – Reporting requirements and assurance**

# Scope 1 – BRSR Core requirements

## Requirements

## Reporting

### Scope 1

Provide details of greenhouse gas emissions (Scope 1 emissions) and its intensity, in the following format:

- Total Scope 1 emissions (Break-up of the GHG into Carbon Dioxide (CO<sub>2</sub>), Methane (CH<sub>4</sub>), Nitrous oxide (N<sub>2</sub>O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur Hexafluoride (SF<sub>6</sub>) and Nitrogen Trifluoride (NF<sub>3</sub>), if available)
- Metric tonnes of CO<sub>2</sub> equivalent
- Total Scope 1 emissions per rupee of turnover
- Total Scope 1 emission intensity (optional) – the relevant metric may be selected by the entity.

- Identify Sources:
  - Stationary Combustion Sources
  - Fugitive Emission Sources
  - Mobile Combustion Sources
- Fuel Consumption:
  - Quantity of fuel consumed for combustion purposes
- Fuel characteristics:
  - Determine the emission factor data
  - Measured carbon content.



# Waste- BRSR Core requirements

## Requirements

## Reporting

Waste	Requirements	Reporting
	<ul style="list-style-type: none"><li>• Provide details related to waste management by the entity, in the following format:</li><li>• Total Waste generated (in metric tonnes)<ul style="list-style-type: none"><li>○ Plastic waste (A)</li><li>○ E-waste (B)</li><li>○ Bio-medical waste (C)</li><li>○ Construction and demolition waste (D)</li><li>○ Battery waste (E)</li><li>○ Radioactive waste (F)</li><li>○ Other Hazardous waste. Please specify, if any. (G)</li><li>○ Other Non-hazardous waste generated (H).</li></ul></li></ul>	<ul style="list-style-type: none"><li>• Report the total waste generated in its activities, with a break-up as per the categories specified in various Waste Management Rules issued by the Ministry of Environment, Forest and Climate Change (MOEFCC), with the break-up of the disposal method, as follows:<ul style="list-style-type: none"><li>○ Waste that is incinerated</li><li>○ Waste that is sent to a landfill</li><li>○ Other disposal operations:</li></ul></li><li>• Disclosure of total solid wastes Intensity for last 3 years</li><li>• Report on waste recovered through any operation.</li><li>• Disclosure of per cent of recycle/reuse of waste for last 3 years</li><li>• Entities should disclose any contextual information necessary to understand the data, such as any standards, methodologies, assumptions and/or calculation tools used</li></ul>

# Input material sourced – BRSR Core requirements

## Requirements

## Reporting

### Input material sourced

- Input material sourced from following sources as per cent of total purchases – Directly sourced from Ministry of Micro, Small and Medium Enterprises (MSMEs)/small producers and from within India.
- Small producers' mean those where the owner herself or himself is a worker and includes informal and/or producers such as self-help groups and home-based workers as well as producer owned entities such as cooperatives, producer companies.
- 'MSME' is defined by Ministry of MSME.

The entity shall disclose percentage of input material (inputs to total inputs by value) sourced from suppliers for current and previous financial years from:

- Small producers - Directly sourced from MSMEs
- Local communities within the district and neighbouring districts.

# Appendix

# Format of BRSR Core

Sr. No.	Attribute	Parameter	Measurement	Data & Assurance Approach	Cross – reference to the BRSR
1	Green-house gas (GHG) footprint  <i>Greenhouse gas emissions may be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard</i>	Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	GHG (CO <sub>2</sub> e) Emission in Mn MT / KT / MT Direct emissions from organization's owned- or controlled sources	<ol style="list-style-type: none"> <li>1. Absolute Fossil Fuel (Coal, Natural Gas, Diesel, FO etc.) Consumption (Mn MT / KT / MT / MM BTU etc.)</li> <li>2. Emission Factor (GHG in CO<sub>2</sub>e / Unit of Measure) - IPCC or Actual Testing from Accredited Test Lab</li> <li>3. Quantity of Carbon Capture (Mn MT / KT / MT)</li> <li>4. GHG emissions in CO<sub>2</sub> equivalent by process (Non-Fuel Source) (Mn MT / KT / MT / MM BTU)</li> <li>5. Fugitive emissions</li> <li>6. Total Scope 1 GHG Emissions: Point 2 x Point 1 - Point 3 + Point 4 + Point 5</li> </ol>	Principle 6, Question 7 of Essential Indicators
		Total Scope 2 emissions (Break-up of the GHG (CO <sub>2</sub> e) into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	GHG (CO <sub>2</sub> e) Emission in Mn MT / KT / MT Indirect emissions from the generation of energy that is purchased from a utility provider	<ol style="list-style-type: none"> <li>1. Total Consumption of Purchased Energy (MW), Steam (MT), Refrigeration (MMBTU)</li> <li>2. GHG (CO<sub>2</sub>e) Emission Factor across all purchased energy sources - IPCC or actual from the supplier (audited certificates)</li> <li>3. Total Scope 2 GHG Emissions: Total Consumption x Emission Factor</li> </ol>	Principle 6, Question 7 of Essential Indicators

# Format of BRSR Core (cont.)

Sr. No.	Attribute	Parameter	Measurement	Data & Assurance Approach	Cross – reference to the BRSR
		GHG Emission Intensity (Scope 1 +2)	Total Scope 1 and Scope 2 emissions (MT) / Total Revenue from Operations adjusted for PPP	1.Total Emission (Scope 1 & 2) 2. Total Revenue from Operations - From Audited P&L Statement 3. PPP (USD / INR)	Principle 6, Question 7 of Essential Indicators
			Total Scope 1 and Scope 2 emissions (MT) / Total Output of Product or Services	1. Total Emission (Scope 1 & 2) as above 2. Company & Sector Specific (i.e., No. of Vehicles Produced, MT of Material Produced, Data in Mn TB, No. of Seats / Travel Class, Room-nights etc.)	Principle 6, Question 7 of Essential Indicators
2	Water footprint	Total water consumption	Mn Lt or KL	<p>Water consumed is water that it is no longer available for use by the ecosystem or local community, such as water that has been withdrawn and incorporated into products or has evaporated or is polluted to the point of being unusable by other users, and is therefore not released back to surface water, groundwater, seawater, or a third party. It also includes water that has been stored during the reporting period for use or discharge in a subsequent reporting period.</p> <p>If the entity cannot directly measure its water consumption, it may calculate this using the following:</p> <ol style="list-style-type: none"> <li>1. Input water flow meter logs (Calibrated Meters)</li> <li>2. Output water flow meter logs (Calibrated Meters)</li> <li>3. Water consumption = Input Water - Output Water</li> </ol>	Principle 6, Question 3 of Essential Indicators

# Format of BRSR Core (cont.)

Sr. No.	Attribute	Parameter	Measurement	Data & Assurance Approach	Cross – reference to the BRSR
		Water consumption intensity	Mn Lt or KL / Rupee adjusted for PPP	<ol style="list-style-type: none"> <li>Total water consumed</li> <li>Total Revenue from Operations (from audited P&amp;L)</li> <li>PPP (USD / INR)</li> </ol>	Principle 6, Question 3 of Essential Indicators
			Mn Lt or KL / Product or Service	<ol style="list-style-type: none"> <li>Consumption as above</li> <li>Company &amp; Sector Specific (i.e., No. of Vehicles Produced, MT of Material Produced, Data in Mn TB, No. of Seats / Travel Class etc)</li> </ol>	Principle 6, Question 3 of Essential Indicators
		Water Discharge by destination and levels of Treatment	Mn Lt or KL	<ol style="list-style-type: none"> <li>Untreated Water</li> <li>Primary Treatment (Removal of material that floats or settle out i.e. Filtration, Screening, Sedimentation etc.)</li> <li>Secondary Treatment (Removal of Dissolved organic Matter i.e. Oxidation, Digestion etc.)</li> <li>Tertiary Treatment (Disinfecting Water i.e. removal of pathogens, Phosphorous, Nitrogen etc.)</li> </ol>	Principle 6, Question 4 of Essential Indicators
3	Energy footprint	Total energy consumed	In Joules or multiples	<p>Total energy consumption = non-renewable fuel consumed + renewable fuel consumed + purchased electricity, heating, cooling, steam + self-generated electricity, heating, cooling, steam</p> <p><i>(If the entity generates electricity from a non-renewable or renewable fuel source and then consumes the generated electricity, the energy consumption shall be counted only once)</i></p>	Principle 6, Question 1 of Essential Indicators
		% of energy consumed from renewable sources	In % terms	Energy consumed through renewable sources / total energy consumed	



# Format of BRSR Core (cont.)

Sr. No.	Attribute	Parameter	Measurement	Data & Assurance Approach	Cross – reference to the BRSR
		Energy intensity	Joules or multiples / Rupee adjusted for PPP	1. Total energy consumed 2. Total Revenue from Operations (from audited P&L) 3. PPP (USD / INR)	Principle 6, Question 1 of Essential Indicators
			Joules or multiples / Product or Service	1. Consumption as above 2. Company & Sector Specific (i.e., No. of Vehicles Produced, MT of Material Produced, Data in Mn TB, No. of Seats / Travel Class etc)	Principle 6, Question 1 of Essential Indicators
4	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	Kg / MT	Absolute weight of the packaging material (Bags, Bottles, Pallets etc.) discarded as defined under the plastic waste management rules 2016 and amendments thereof	Principle 6, Question 9 of Essential Indicators
		E-waste (B)	Kg / MT	Discarded Computers, televisions, cell phones, VCRs, stereos, DVD players, copiers, and fax machines etc. as listed under e-waste management rules 2016 and amendments thereof	Principle 6, Question 9 of Essential Indicators
		Bio-medical waste (C)	Kg / MT	Solids and liquid waste including its container and any intermediate product, which is generated during the diagnosis, treatment or immunization of human beings or animals or research activities as listed under Bio-medical waste management rules 2016 and amendments thereof	Principle 6, Question 9 of Essential Indicators
		Construction and demolition waste (D)	Kg / MT	Construction waste as per C&D waste management Rules 2016 and amendments thereof like concrete, plaster, metal rods / wires, wood, plastics etc.	Principle 6, Question 9 of Essential Indicators
		Battery waste (E)	Kg / MT	Discarded batteries i.e., Li-ion, Alkaline, Lead Acid etc used in vehicles, computers & laptops, mobiles other electronics, UPS, Power Back up etc. as	Principle 6, Question 9 of Essential Indicators

# Format of BRSR Core (cont.)

Sr. No.	Attribute	Parameter	Measurement	Data & Assurance Approach	Cross – reference to the BRSR
				per Battery Waste management Rules 2016 and amendments thereof	
		Radioactive waste (F)	Kg / MT	Discarded material such as paper, plastic, clothes, equipment, machine parts etc having exposure to radiation across Nuclear Power Plants, Hospitals, Research Laboratories, Industrial Applications etc.)	Principle 6, Question 9 of Essential Indicators
		Other Hazardous waste. Please specify, if any. (G)	Kg / MT	As per hazardous waste management rules of CPCB	Principle 6, Question 9 of Essential Indicators
		Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	Kg / MT	Waste not identified as Hazardous as per CPCB	Principle 6, Question 9 of Essential Indicators
		Total waste generated ((A+B + C + D + E + F + G + H)	Kg / MT	self-explanatory	Principle 6, Question 9 of Essential Indicators
		Waste intensity	Kg or MT / Rupee adjusted for PPP	1. Total waste generated 2. Total Revenue from Operations (from audited P&L) 3. PPP (USD / INR)	Principle 6, Question 9 of Essential Indicators
			Kg or MT / Unit of Product or Service	1. Total waste generated 2. Company & Sector Specific (i.e., No. of Vehicles Produced, MT of Material Produced, Data in Mn TB, No. of Seats / Travel Class etc)	Principle 6, Question 9 of Essential Indicators
		Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	Kg or MT	Absolute quantity	Principle 6, Question 9 of Essential Indicators
			Intensity	Kg of Waste Recycled Recovered /Total Waste generated  <i>Disclosure may be provided if certificates from vendors have been relied upon for assurance of KPIs on waste management</i>	



# Format of BRSR Core (cont.)

Sr. No.	Attribute	Parameter	Measurement	Data & Assurance Approach	Cross – reference to the BRSR
		For each category of waste generated, total waste disposed by nature of disposal method	Kg or MT  Intensity	1. Amount of material in MT disposed through Incineration 2. Amount of Material to Landfill 3. Any other method Kg of Waste Recycled Recovered /Total Waste generated	Principle 6, Question 9 of Essential Indicators
5	Enhancing Employee Wellbeing and Safety	Spending on measures towards well-being of employees and workers – cost incurred as a % of total revenue of the company	In % terms	To check sources including – <ul style="list-style-type: none"> <li>Insurance Policies &amp; Premium Paid Details</li> <li>Infant Care Policy</li> <li>Amount billed/invoices towards providing such facilities</li> </ul> <i>(The following measures may be included – health insurance, accident insurance, maternity benefits, paternity benefits, day care facilities, health &amp; safety measures including access to mental health)</i>	Principle 3, Question 1(c) of Essential Indicators
		Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	Number of Permanent Disabilities	To check on the basis of claims	Principle 3, Question 11 of Essential Indicators
			Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	1. Total number of lost time injuries 2. Total No. of working hours 3. LTIFR = (Total number of lost time injuries *10,00,000) / Total No. of working hours	Principle 3, Question 11 of Essential Indicators
			No. of fatalities	To check on the basis of claims as reported to the Factory Inspector	Principle 3, Question 11 of Essential Indicators
6	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	In % terms	Employee Master / Register	Principle 5, Question 3(b) of Essential Indicators
		Complaints on POSH	<ul style="list-style-type: none"> <li>Total Complaints on Sexual Harassment (POSH) reported</li> <li>Complaints on POSH as a % of female employees / workers</li> </ul>		Principle 5, Question 7 of Essential Indicators

# Format of BRSR Core (cont.)

Sr. No.	Attribute	Parameter	Measurement	Data & Assurance Approach	Cross – reference to the BRSR
			<ul style="list-style-type: none"> <li>Complaints on POSH upheld</li> </ul>		
7	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – <i>Directly sourced from MSMEs/ small producers and from within India</i>	In % terms – As % of total purchases by value	self-explanatory <i>'Input material' - includes all types of procurement such as raw material, spares, services, capex procurement items etc.</i>	Principle 8, Question 4 of Essential Indicators
		Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost	In % terms – As % of total wage cost	Place of employment of employees /workers (Place to be categorised based on with RBI classification system on rural / semi-urban / urban / metropolitan)	Principle 8, Question 5 of Essential Indicators
8	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms		Principle 9, Question 7 of Essential Indicators
		Number of days of accounts payable	(Accounts payable *365) / Cost of goods/services procured	To check from financial statements	Principle 1, Question 8 of Essential Indicators
9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	<ul style="list-style-type: none"> <li>Purchases from trading houses as % of total purchases</li> <li>Number of trading houses where purchases are made from</li> </ul>	1. RPT audited by Financial Auditors (Refer Financial Audit Report) 2. Financial statements / invoices	Principle 1, Question 9 of Essential Indicators

# Format of BRSR Core (cont.)

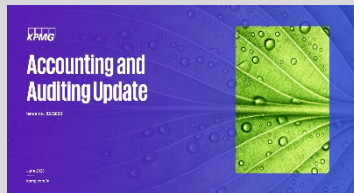
Sr. No.	Attribute	Parameter	Measurement	Data & Assurance Approach	Cross – reference to the BRSR
			<ul style="list-style-type: none"> <li>• Purchases from top 10 trading houses as % of total purchases from trading houses</li> <li>• Sales to dealers / distributors as % of total sales</li> <li>• Number of dealers / distributors to whom sales are made</li> <li>• Sales to top 10 dealers / distributors as % of total sales to dealers / distributors</li> </ul> <p>Share of RPTs (as respective %age) in -</p> <ul style="list-style-type: none"> <li>• Purchases</li> <li>• Sales</li> <li>• Loans &amp; advances</li> <li>• Investments</li> </ul>		

**Q&A**

# Our publications

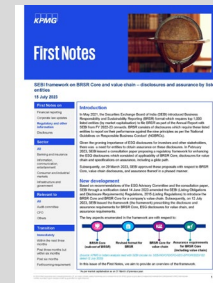
## Accounting and Auditing Update

Scan the QR to download



## First Notes

Scan the QR to download



## Voices on Reporting – Quarterly updates publication



## Coming up next

New issue of:

- Accounting and Auditing Update
- First Notes
- Voices on Reporting - publication

Download from [kpmg.com/in](https://www.kpmg.com/in)

# Thank you!

## KPMG in India contacts:

**Ruchi Rastogi**  
Partner  
Assurance

**Saurabh Kamdar**  
Associate Partner  
ESG and Lead – Sustainable Finance

**Anand Kulkarni**  
Technical Director  
ESG

Feedback/queries can be sent to: [aaupdate@kpmg.com](mailto:aaupdate@kpmg.com)

[kpmg.com/in/en/home/social](https://kpmg.com/in/en/home/social)



The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

KPMG Assurance & Consulting Services LLP, Lodha Excelus, Apollo Mills Compound, NM Joshi Marg, Mahalaxmi, Mumbai - 400 011 Phone: +91 22 3989 6000, Fax: +91 22 3983 6000

© 2023 KPMG Assurance & Consulting Services LLP, an Indian limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.

This document is for e-communication only.

**Document Classification: Public**