

**Speaking Notes of Shri. Amarjeet Singh, WTM, SEBI at the National Conference
on Responsible Business Conduct 2025: Integrating ESG for Viksit Bharat
Organized by the Indian Institute of Corporate Affairs (IICA)**

*Keynote Address for the session titled “Aligning BRSR with Global Sustainability
Reporting Frameworks”
July 03, 2025*

1. Good afternoon. It is a pleasure to be part of this event. I thank IICA for inviting me. My apologies for not attending in person.
2. IICA has been at the forefront of advocating for responsible business conduct, and this dialogue is both relevant and timely.
3. In my address today, I would like to first, talk about the current state of play w.r.t. the work done by SEBI in the area of sustainability disclosures and then, share my perspective on aligning BRSR with global sustainability reporting frameworks and thirdly, briefly talk about several themes that are likely to shape the sustainability landscape.

A. BRSR

4. As many of you would know, SEBI’s journey in sustainability disclosures started way back in 2012 when it introduced a mandatory Business Responsibility Reporting (BRR) for top 100 companies. Let me fast forward to 2021, when SEBI prescribed a new framework for ESG reporting, called the Business Responsibility and Sustainability Report or BRSR.
5. The BRSR is a quantitative and outcome-oriented reporting framework. While developing the framework, we were cognizant that we have a different set of environmental & social challenges. Therefore, we have consciously followed a climate plus approach that includes reporting on quantitative social metrics. It is

home-grown, tailored to our unique domestic requirements and aligned with our national priorities.

6. At the same time, we had also conducted a benchmarking exercise with the then available international frameworks such as TCFD (Task Force on Climate-Related Financial Disclosures) and GRI (Global Reporting Initiative); and there are a number of commonalities between these frameworks and the BRSR.
7. The BRSR is applicable to the top 1000 listed entities (by market capitalization) on a mandatory basis. Over 1,230 listed entities filed the BRSR for FY 2023 – 24.

B. BRSR Core – Assurance and Value chain disclosures

8. We are mindful that transparency without credibility can be counterproductive. A number of stakeholders such as investors and ESG Rating Providers place reliance on the disclosures in the BRSR. At the same time, concerns around green-washing have also been raised globally. Therefore, in July 2023, SEBI introduced the BRSR Core containing a select set of critical metrics, which would need to be assured by an independent third-party assurance provider.
9. A glide path, in terms of timelines and applicability to listed entities, has been prescribed for implementation of assurance requirements, with coverage extending to the top 1000 listed entities by FY 2026 - 27.
10. Given that a number of companies have significant sustainability footprints such as the use of natural resources, employment practices, emissions and wastages in their value chain, disclosures as per the BRSR Core were also extended to the value chain of listed companies.
11. With a view to facilitate ease of doing business for listed entities and their value chain partners, these disclosure requirements have been recently relaxed. Value

chain disclosures are now “voluntary”, instead of the earlier requirement of ‘comply-and-explain’. The scope of value chain disclosures has also been reduced.

C. *Global developments*

12. Globally, the sustainability reporting landscape is converging. The issuance of the IFRS Sustainability Disclosure Standards by the International Sustainability Standards Board (ISSB) – IFRS S1 which relates to sustainability-related financial disclosures and IFRS S2 which sets out specific climate-related disclosures - has resulted in consolidation of multiple reporting frameworks and reduced the fragmentation in this space. The ISSB Standards seek a significant level of detailed information including forward looking impact of sustainability and climate related issues, scenario analysis, disclosure of Scope 3 green-house gas emissions, etc.
13. As per ISSB, 36 jurisdictions have adopted or otherwise used the ISSB Standards or are in the process of finalizing steps towards introducing them into their regulatory frameworks.
14. Parallely, two new pillars are shaping the credibility of sustainability reporting. In the beginning of this year, the International Auditing and Assurance Standards Board (IAASB) and the International Ethics Standards Board for Accountants (IESBA) jointly launched the International Standard on Sustainability Assurance (ISSA) 5000 and the International Ethics Standards for Sustainability Assurance (IESSA), respectively. The standards are profession agnostic, and framework neutral i.e. they can be applied in relation to sustainability information prepared under any suitable reporting framework.

D. *Alignment of BRSR with global frameworks*

15. At present, we are in a good spot with our indigenous framework, BRSR, which is calibrated to the needs of our economy. It has given an impetus to sustainability

disclosures and has prepared our companies to confidently deal with challenges in the evolving sustainability disclosure landscape.

16. It is worth noting that the Task Force on Climate-Related Financial Disclosures (TCFD) formed the foundational basis for IFRS S2 issued by the ISSB. Interestingly, SEBI had already benchmarked the BRSR against TCFD at the time of its formulation. As such, several common elements exist between BRSR and the ISSB standards. As a result, a degree of natural convergence already exists, placing Indian companies in a relatively stronger position to engage with global frameworks.
17. While a common global language is ideal, it is important that flexibility, to take into account country-specific circumstances, is preserved in the implementation of standards. Therefore, flexibility, proportionality, and a just transition — supported by appropriate glide paths — will remain critical, in any move towards alignment of the BRSR with global standards.
18. It is important to mention that SEBI has enabled inter-operability of reporting i.e. entities that report based on internationally accepted disclosure frameworks can cross-reference the disclosures to those sought under the BRSR and need not duplicate reporting. Further, for companies which do not have the experience of reporting as per any international standard, the BRSR is an important first step for them to begin their journey on sustainability reporting.
19. As we look to the future, several themes are likely to shape the sustainability landscape.
 - We can expect an increasing connectivity between financial and sustainability reporting. This shift recognizes the inter-linkage between the financial risks a company faces from ESG factors and the impact that it creates for the planet.
 - Credible transition planning will become essential.
 - The challenge of greenwashing will become more pronounced, and regulators will need to scale up their oversight capabilities.

- The assurance ecosystem in India including standards and a regulatory framework for oversight, will need to evolve to ensure credibility and independence, in reporting and assurance.
20. The development of a common sustainability taxonomy, greater standardization of data, and the use of technology to improve reporting, are some other key areas that will need to evolve as the sustainability ecosystem matures.
21. The journey will not be without its challenges, in particular, the fundamental tension between profitability and sustainability. There is a trade-off between short-term gains over long-term survival and resilience. The short-term gains rewarded by the market are more visible. The market's emphasis on short-term gains must give way to a more nuanced understanding of value.

E. Concluding Remarks

22. We are at a new frontier for capital markets, where there is a push for companies to consider and report on risks and impacts, that go beyond traditional accounting. We are making good progress and are aware that there will be a learning curve. Sustainability is a long run travel. The regulatory landscape in this space will continue to evolve. We need to be mindful that this evolution happens in a timely and proportional manner, with appropriate glide paths and accompanied with capacity building.
23. This is also a collective journey and a number of stakeholders – investors, companies, regulators, and civil society - will have to coordinate and collaborate in the shift towards more informed capital markets, and more inclusive and sustainable economies, that better serve our environment and society, and the cause of Viksit Bharat.

Thank You!