

Industry Standards Note on Business Responsibility and Sustainability Report (BRSR) Core

BRSR-CORE REPORTING STANDARD

The BRSR Core Reporting Standard are prepared with the objective to help companies comply with the disclosure requirements on BRSR core made mandatory pursuant to Regulation 34(2) of SEBI LODR, 2015 and read with SEBI issued Circular SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 that incorporated BRSR Core into the BRSR Reporting Format.

This Reporting Standard has a normative reference to the BRSR Guidance note issued by SEBI for principle-specific guidance¹.

Main aspects covered:

Part A General Requirements

Part B Attribute-wise requirements

Part A General Requirements

1. Intensity-based calculations

Applicable to GHG Footprint (Attribute 1), Water Footprint (Attribute 2), Energy Footprint (Attribute 3), Embracing Circularity (Attribute 4)

Reporting entities should report GHG emission intensity (Scope 1 and Scope 2 emissions), Water consumption intensity, Energy intensity, and Waste intensity. Entities have to report intensity ratio for revenue adjusted for Purchasing Power Parity and Output-based intensity.

Revenue adjusted intensity for Purchase Power Parity

I. Purchasing Power Parity Calculation

Purchasing Power Parities (PPPs) are the rates of currency conversion that try to equalise the purchasing power of different currencies, by eliminating the differences in price levels among countries. As of April 2024, conversion factor for purchasing power parity for India is 22.4 (Local Currency Units, that is INR) per international dollar (the purchasing power of 1 international US\$ is equivalent to the purchasing power of 1 US\$ in the United States). In other words, for example, in 2024, INR 22.4 had the same buying power in India as 1 US\$ had in the US.

Calculating PPP Adjusted Revenue

PPP Adjusted Revenue in USD = Revenue in INR/IMF PPP Conversion Factor

Source of PPP rates: The International Monetary Fund (IMF) publishes the PPP conversion rates for all currencies. Use the latest rate available for India on their website and disclose by way of note in BRSR the rate that has been used. For FY2023-24 disclosures, the reporting entity shall use the same PPP conversion rate for the previous financial year also.

¹ [Business responsibility and sustainability reporting by listed entitiesAnnexure2 p.PDF \(sebi.gov.in\)](#)

The PPP rate for India is available at:

<https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC>

Example calculation to determine PPP-adjusted revenue

2023-24 revenue of reporting company A= 10,000 INR million

PPP conversion rate (latest available is for 2024) = 22.4 INR/Int. US\$

PPP adjusted revenue (US\$) for 2023-24 for company A= (10,000/22.4) = 446 USD million

Example calculation for intensity based on PPP-adjusted revenue Environmental Parameter

Environmental Parameter	Total Footprint	PPP-Adjusted Revenue (million \$)	Intensity (Units of footprint/million \$)
Scope 1+ Scope 2	10,000 tCO2e	446	22.4 tCO2e/million US\$
Water consumption	10,000 kL	446	22.4 kL/million US\$
Energy consumption	10,000 GJ	446	22.4 GJ/million US\$
Waste generation	10,000 MT	446	22.4 MT/million US\$

II. Output based intensity calculation

Outputs vary for Manufacturing and Service sector.

Manufacturing entities should use the total output of products i.e., the **Total Production to report intensity figures**

Services entities should use input measures of **Full Time Equivalent to report intensity figures**

Example calculation

Manufacturing – Steel Company

Total production of crude steel: 20tonnes

Total Scope 1 and Scope 2 emissions: 60tCO2e

GHG emission intensity: 60/20 = 3

Service – Information Technology company

Total Full Time Equivalent: 6,00,000

Total Scope1 and Scope 2 emissions: 95,000tCO2e

GHG emission intensity: 95000/600000 = 0.15

Reference BRSR Guidance Note Principle 6, Q No. 1, 3, and 6, entities may on voluntary basis provide intensity ratio based on other metrics – unit of product, production volume, size, number of full-time employees.

2. Spend-based Approach to Estimating Environmental Footprint:

While calculating emissions, energy consumption, and/or water consumption, where a reporting entity does not have primary data and only have annual spend data for the item, the reporting entity may use a spend-based approach to estimate the corresponding emissions, energy consumption, and/or water consumption. Refer Appendix I for detailed guidance on spend-based methodology.

Part B Attribute-wise requirement

Attribute 1: Greenhouse Gas Footprint

Q. No.	Field Name/Reporting Parameter	Standard
P6/7E	Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:	
	Total Scope 1 (tCO ₂ e)	<p>To calculate Scope 1 and Scope 2 emissions (GHG in CO₂e / Unit of Measure), reporting entities should refer to following recognized sources for emission factors for their latest available guidance:</p> <ul style="list-style-type: none"> • NABL Accredited Lab • Intergovernmental Panel on Climate Change (IPCC) • International Energy Agency (IEA) • Department of Environment, Food & Rural Affairs (UK DEFRA) • US Environment Protection Agency (EPA) • Country specific emission factors <p>It is necessary that reporting entities disclose the source of emissions factor used.</p>
	Total Scope 2 (tCO ₂ e)	<p>For Scope 2 emissions factors specific to grid power in India, use the latest applicable CEA-published grid emission factor, where measurable data is available.</p> <p>In case the reporting entity does not have measurable data, the entity shall use a spend-based method to calculate electricity consumption.</p> <p>However, spend-based methodology should be used in a restricted manner and only initially when a data measurement is not in place. It is suggested that every entity must eventually start measuring quantitative data and spend-based methodology can be used in initial years of reporting. Where used, the reporting entity must specify the source of the</p>

		<p>spend-based consumption factor and explain its suitability for the purpose.</p> <p>Companies should not go back to spend-based method after having and reporting measurable data.</p> <p>Details on Spend-based methodology is provided in Annexure I (Carbon Accounting Proxy Methodology as attachment)</p>
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Attribute 2: Water Footprint

Q. No.	Field Name/Reporting Parameter	Standard
P6/3E	Provide details of the following disclosures related to water, in the following format:	
	Total volume of water consumption (Mn L or kL)	<p>Reporting entities which have offices, outlets, branches, and other facilities where direct measurement of water is not available or practicable, should use guidelines established by the Central Ground Water Authority (CGWA)² to estimate water consumption.</p> <p>As per CGWA guideline, the estimated consumption is 45 litres per head per working day for offices. Thus, the quantification of water usage can be done by multiplying the number of employees and workers working within the office space by the stipulated 45 litres per head per working day.</p> <p>For other countries, use consumption rates representative of the country or region to the extent practicable.</p> <p>Offices, outlets, branches, or other similar situations where directly measurement of water withdrawal, discharge, and consumption data, are available at a larger facility-level, then the sub-unit level water withdrawal, discharge, and consumption should be estimated from facility-level data as follows:</p> <p>Sub-unit level data = (Facility level data including common area consumption) * (sub-unit area in sq. ft. ÷ total facility area in sq. ft)</p>

² <https://cgwa-noc.gov.in/landingpage/Guidelines/NBC2016WatRequirement.pdf>

Attribute 3: Energy Footprint

Q. No.	Field Name/Reporting Parameter	Standard
P6/1E	Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:	
	<p>Power delivered through the power connection may include many types of power. The different components of the power received should be properly accounted (this segregation will be required to calculate Scope 2 emissions).</p> <p>Power delivered through the local power connection may include:</p> <ol style="list-style-type: none"> Wheeled renewable power procured from a captive renewable power plant, a third party, or power exchange. Wheeled non-renewable power procured from a captive power plant, a third party, or power exchange. Renewable power procured under 'green tariff' program of the state. Grid power. <p>These components should be accordingly reported under renewable or non-renewable category.</p>	

Attribute 4: Embracing circularity - details related to waste management by the entity.

Q. No.	Field Name/Reporting Parameter	Standard
P6/9	Refer to BRSR Guidance Note for details	

Attribute 5: Enhancing Employee Wellbeing and Safety

Q. No.	Field Name/Reporting Parameter	Standard
P3/1(c)E	Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format	
	Cost incurred on well-being measures as a % of total revenue of the company	<p>As per BRSR Core, the KPI should include the 5 initiatives (i.e., health insurance, accident insurance, maternity benefits, paternity benefits, day care facilities) covered under question 1a and 1b under Principle 3 and additionally health & safety measures including access to mental health.</p> <p>As mentioned in BRSR Guidance Note – Principle 3, Q No. 1, in case the entity desires to disclose any additional benefit, they can do so by adding additional columns.</p>

		<p>Listed entities should prepare a schedule of cost incurred on all the above initiatives and the same should be based on the expenditure included in the relevant ledger heads in the audited trial. The schedule should include the following expenditure on well-being of employees and workers (including permanent and other than permanent employees/workers) which has been charged to the Profit & Loss account:</p> <p>a. Actual cost incurred by the company on health insurance, accident insurance, day care facilities. Any cost of health/accident insurance borne by the employee will be excluded. However, in case the health/accident insurance has been facilitated/negotiated by the company for its employees, this may be mentioned by way of a note.</p> <p>b. Cost for maternity and paternity benefits would include costs on any direct benefits provided to employees (such as Cabs for commuting, etc.) and actual salary paid to the employees during the maternity/paternity leave availed (as per Cost to company including variable pay, if the amount has been bifurcated employee wise).</p> <p>c. Cost incurred by the company on health & safety measures (including mental health) like medical benefits to employees, annual health check ups, provision of doctors/ counsellors / clinics, fitness programmes, etc. should be included.</p> <p>Revenue shall mean “Total Revenue from Operations – From Audited P&L Statement” as stated in Annexure I - Format of BRSR Core and should not include “Other Income”. In case of BFSI, Total Revenue shall mean:</p> <ul style="list-style-type: none"> • “Interest Earned” and • “Other Income” except Profit / (loss) on sale of building and other assets (net)
	<p>Number of Permanent Disabilities</p> <hr/> <p>Employees</p> <hr/> <p>Workers</p>	<p>The term "Number of Permanent Disabilities" is not used in the BRSR Form. However, the term "High Consequence Injuries/ Ill health" used in the guidance note appears to have the same meaning as “Number of Permanent Disabilities”, and therefore the same definition can be used to report under this indicator (Refer Guidance Note for BRSR format – Principle 3, Qs 11)</p>

Attribute 6: Enabling Gender Diversity in Business

Q. No.	Field Name/Reporting Parameter	Standard
P5/3(b)E	Gross wages paid to females as % of total wages paid by the entity, in the following format:	
	Current financial year	<p>The term "wages" has been used for both employees and workers (Reference: Principle 5 Essential Question 2).</p> <p>Therefore, the total wages should include:</p> <ol style="list-style-type: none"> Salaries, wages and bonus as per the disclosure made in the audited financial statements (for BFSI, this will need to be extracted from "Payments to and provisions for employees" in the audited financial statements). The same would exclude retirement benefits, ESOPs and staff welfare expenses. Bonus accrued but not paid may be apportioned between male and female staff using an appropriate basis and the basis should be disclosed. For other than permanent employees/workers, actual wages paid to non-permanent employees/workers to be considered.
	Previous financial year	
P5/7E	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:	
	Complaints on POSH as a % of female employees / workers	Denominator should be considered as average of number of female employees/workers at the beginning of the year and as at end of the year
	Complaints on POSH upheld	Complaints on POSH upheld shall mean the complaints regarding which the Internal Committee in its Inquiry Report has arrived at the conclusion that the allegation has been proved, in accordance with Section 13 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Attribute 7: Enabling Inclusive Development

Q. No.	Field Name/Reporting Parameter	Standard
P8/4E	Percentage of input material (inputs to total inputs by value) sourced from suppliers	
	Directly sourced from MSMEs/ small producers	Reporting Entities shall refer to the following definitions for reporting for this parameter:

		<p>i. In case of 'small producers', the definition provided in the Guidance Note for BRSR</p> <p>ii. in case of 'micro enterprise', 'medium enterprise' and 'small enterprise' as defined in the Micro, Small and Medium Enterprises Development Act, 2006</p>
		<i>'Input material' and "total purchases" shall include all types of procurement such as raw material, spares, services, capex procurement items etc. as stated in Annexure I - Format of BRSR Core.</i>
		Input material in the form of services shall include all procured third-party services.
		Reporting under this KPI shall only be applicable to Indian entities within the reporting boundary
	Directly from within India	<i>'Input material' and "total purchases" shall include all types of procurement such as raw material, spares, services, capex procurement items etc. as stated in Annexure I - Format of BRSR Core.</i>
		Input material in the form of services shall include all procured third-party services.
		Reporting under this KPI shall only be applicable to Indian entities within the reporting boundary.
P8/5E	Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost. (Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)	
1.	Rural Semi-urban Urban Metropolitan	<p>The term 'wages' shall be reported as per guidance provided under Attribute 6.</p> <p>Salaries and wages paid to all employees/workers employed in small towns shall be reported in accordance with the RBI Classification.</p> <p>Reporting on jobs created by reporting entities for this parameter shall be calculated as follows:</p> <p>% of job creation in the specified locations i.e., rural, semi-urban, urban, metropolitan is equal to</p> $100 \times \frac{\text{total wages} + \text{total contractual payments for labour in}}{\text{total wages} + \text{total contractual payments for labour in}}$

		<p>a specified location for all employees, whether permanent or contractual) ÷ (total wages + total contractual payments for labour workers by the company in all locations within India for all employees, whether permanent or contractual)</p>
		<p>While reporting under this parameter, the reporting entities shall take into account the actual location of the job and not the location wherein the employee is situated.</p>
		<p>Reporting under this KPI shall only be applicable to Indian entities within the reporting boundary.</p>

Attribute 8: Fairness in Engaging with Customers and Suppliers

Q. No.	Field Name/Reporting Parameter	Standard
P9/7E	Provide the following information relating to data breaches:	
	(b) Percentage of data breaches involving personally identifiable information of customers	<p>Reporting entities shall report the number of cyber security incidents in accordance with their reporting during the year to CERT-In as per the direction dated 28 April 2022 issued by the Indian Computer Emergency Response Team, under the aegis of the Ministry of Electronics and Information Technology, under Section 70-B (6) of the Information Technology Act 2000.</p> <p>Reporting companies shall provide percentage of the cyber security incidents as reported to CERT-In that involved personally identifiable information of customers against the total cyber security incidents reported to CERT-In.</p> <p>For cyber security incidents in jurisdictions outside India, reporting may be done basis regulatory requirement/reporting, if any, in the respective jurisdiction. In the absence of the same, the guidance in CERT-In should be used.</p>

Attribute 9: Open-ness of business

Q. No.	Field Name/Reporting Parameter	Standard
P1/8E	Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format	
	Number of days of accounts payable	<p>The BFSI sector shall include relevant items under 'Other Liabilities' Schedule as reported in their financial statements.</p> <p>"Cost of Goods/Services Procured" shall be reported as per guidance for total purchases under Attribute 7.</p> <p>The relevant items under Trade Payables as reported in the financial statement shall be included against Accounts Payable</p>
P1/9E	Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format	
	Concentration of purchases:	'Purchases' for this parameter shall be reported as per the guidance under Attribute 7.
	(a) Purchases from trading houses as % of total purchases	<p>The definition for trading house shall be as follows:</p> <p><i>A "trading house" is a specialized legal entity primarily engaged in the business of export, import, and/or domestic trade of goods and services, facilitating such import, export and/or domestic trade and providing related services to support these transactions.</i></p>
	(b) Number of trading houses where purchases are made from	
	(c) Purchases from top 10 trading houses as % of total purchases from trading houses	
	Concentration of sales:	Sales shall mean sale of good and services. In case of the BFSI sector, total sales shall mean total revenue. Accordingly, reporting under the sub-parameters shall be total revenue for the sub-parameter as a % to the total revenue in case of the BFSI sector.
	(a) Sales to dealers / distributors as % of total sales	"dealer" or "distributor" means any person who whether for commission, remuneration or otherwise transfer or facilitates such transfer of the right to use any goods or services for any purpose (whether or not for a specified period) for cash, deferred payment or other valuable consideration.
	Share of related party transactions (RPTs) in:	The BRSR Core reporting shall use the definition of 'related party' and 'related party transaction' as defined under Regulation 2 (1) (zb) and
	(a) Purchases (Purchases with related parties / Total Purchases)	

	(b) Sales (Sales to related parties / Total Sales)	Regulation (1) (zc) of the LODR Regulations respectively.
	(c) Loans & advances (Loans & advances given to related parties / Total loans & advances)	Sales and Purchases will have the same meaning as in this Attribute above.
	(d) Investments (Investments in related parties / Total Investments made)	<p>It is clarified that investments with related parties (BRSR Core) shall be clarified to mean Investments in related parties.</p> <p>Loans and Advances and Investments should be taken as per relevant schedules in the audited Balance sheet.</p>