

**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS  
LOK SABHA  
UNSTARRED QUESTION NO. 1267  
ANSWERED ON MONDAY, July 28, 2025/Sravana 6, 1947 (Saka)**

**STEPS TO ALIGN ESG NORMS WITH GLOBAL NETWORK**

**QUESTION**

**1267. SHRI AMRINDER SINGH RAJA WARRING:**

**Will the Minister of CORPORATE AFFAIRS be pleased to state:**

- (a) whether the Government plans to make BRSR (Business Responsibility and Sustainability Report) mandatory for non-listed companies above a threshold turnover;**
- (b) the steps being taken by the Government to align India's ESG norms with global frameworks like ISSB or EU-CSRD;**
- (c) the mechanisms put in place to monitor greenwashing in corporate ESG disclosures; and**
- (d) whether the Government has launched capacity-building programmes for SMEs on sustainability compliance;**

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS**

**[SHRI HARSH MALHOTRA]**

**(a) & (b) No Sir. The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs) were revised by MCA and new principles called the National Guidelines on Responsible Business Conduct (NGRBCs) were released in March, 2019. Subsequently, the Ministry of Corporate Affairs (MCA) constituted a Committee on Business Responsibility Reporting, of which SEBI was a member, for finalizing sustainability reporting formats, based on the framework of the NGRBCs. Based on the recommendations of the Committee, extensive stakeholder consultation, in 2021, SEBI mandated the top 1000 listed companies (by market capitalization) to make ESG disclosures as per the Business Responsibility and Sustainability Reporting (BRSR) from FY 2021-22 on a voluntary basis and mandatorily from FY 2022 - 23. The remaining listed entities, including the entities which listed their specified securities on the SME Exchange, may voluntarily disclose the Business Responsibility and Sustainability Report. The Committee, in its report, had inter-alia taken note of international reporting frameworks as well as global trends in sustainability reporting. At the same time, needs of India's specific socio-economic and environmental challenges were kept in mind while formulating BRSR and therefore BRSR allows for inter-operability with internationally accepted reporting frameworks i.e. those listed entities which prepare and disclose sustainability reports (as part of annual report) based on internationally accepted reporting frameworks can cross-reference the disclosures made under such framework to the disclosures sought under the BRSR. Further, in case the data sought in the reporting format is already disclosed in the annual report, the listed entity can provide a cross-reference to the same.**

**(c) In order to mitigate risks of greenwashing, vide circulars dated July 12, 2023 and March 28, 2025, SEBI has introduced BRSR Core, which contains a limited set of critical / core Key Performance Indicators (KPIs), for which listed entities shall need to obtain assurance/ assessment, as per the specified glide path beginning with the top 150 listed entities (from FY 2023– 24), top 250 listed entities (from FY 2024-25), top 500 listed entities (from FY 2025-26) and applicable to the top 1000 listed entities from FY 2026-27. Further, SEBI has also introduced ESG disclosures for the value chain of top-250 listed entities on a voluntary basis from FY 2025 - 26 and assurance/ assessment of the same on a voluntary basis from FY 2026 - 27.**

**SEBI vide (i) circular dated February 03, 2023 prescribed certain dos and don'ts that an issuer of green debt security must ensure to avoid the occurrence of greenwashing and (ii) circular dated February 06, 2023, inter-alia, specified appointment of a third party reviewer/ certifier for a green debt security for post-issue management of the use of proceeds from the green debt security and verification of the internal tracking and impact reporting. The said requirement of appointing a third party reviewer/ certifier is applicable on a 'comply or explain' basis for a period of two years from April 01, 2023. These provisions are now incorporated in Chapter IX-A and Chapter IX respectively of the Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated May 22, 2024.**

**Furthermore, in December 2024, Industry standards on BRSR Core have been formulated by the Industry Standards Forum ("ISF") comprising of representatives from three industry associations, viz. ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges, in consultation with SEBI. The standards aim to facilitate effective implementation of the disclosure requirements under BRSR Core, promote ease of doing business and bring about standardization in implementation of BRSR Core. Moreover, to increase transparency, as per BRSR Core, ESG disclosures for the value chain have been introduced for the top 250 listed entities (by market capitalization), on a comply-or-explain basis from FY 2024-25. The limited assurance of the same shall be applicable on a comply-or-explain basis from FY 2025 - 26.**

**(d) The Ministry of MSME implements the World-Bank supported Central Sector Scheme "Raising and Accelerating MSME Performance" (RAMP). Under the aegis of this scheme, capacity building programmes and workshops are being organized for MSMEs, Industry Associations, State Government officials and other stakeholders in Environmental, Social and Governance compliance. State/UT Governments have also been provided grants under RAMP for conducting ESG Workshops.**

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