



# ESG NEWSLETTER

April 2026 Edition



# Table of contents

---

BRSR reporting: A practical check list	03
EcoVadis : A deep dive into the rating framework	06
Electricity rules: Key amendments to India's captive generation rules (2026)	11
'Did You Know' section	13

---

# What to watch out for in BRSR reporting: A practical checklist

As SEBI's BRSR shifts ESG reporting in India from voluntary disclosure to mandatory accountability, it has become the central benchmark for transparency among the top 1,000 listed companies. Yet, many organizations still treat BRSR as a compliance checklist, resulting in data gaps and limited strategic value. We explore practical insights, best practices, and common pitfalls to help companies transform BRSR into a tool for stronger governance, stakeholder trust, and long-term resilience.

## Common challenges faced in BRSR reporting

Despite the structured format, organizations frequently stumble due to the following challenges:

Challenge	Description
<b>Data fragmentation</b>	ESG data often resides in silos—HR has diversity data, facilities have energy bills, and procurement handles vendor assessments. Collating this manually leads to inconsistency and delayed reporting.
<b>Defining the boundary</b>	A frequent error is failing to define the "reporting boundary." Companies often report data only for their corporate office while the manufacturing facilities are omitted.
<b>Over-reliance on narratives</b>	BRSR demands "comply or explain" but heavily weights quantitative performance (performance indicators). Overly verbose qualitative answers without numerical backing dilutes credibility.
<b>Lack of assurance mindset</b>	As the deadline for mandatory "assurance" approaches for the top tier, organizations are finding their internal controls for ESG data (internal audits) are not yet robust enough to withstand external assurance scrutiny.

## Tips for ensuring accuracy and transparency

To elevate your BRSR from a statutory obligation to a strategic asset, consider implementing the following best practices:



### Implement a "Four-Eyes" data validation system

Apply financial-grade rigor to ESG data by implementing a "four-eyes" review—where data owners validate inputs and a central team verifies calculations and reporting boundaries.



### Strengthen board and leadership oversight

Assign clear ESG accountability at the Board or senior management level through dedicated sustainability or risk committees, and disclose how ESG performance is reviewed.



### Conduct a materiality assessment

Conduct a materiality assessment to identify topics that matter most to both business performance and societal impact, and clearly explain the process used to define priorities.



### Engage your value chain (especially for BRSR core)

BRSR Core requires disclosures on the value chain. Start early by engaging key suppliers and vendors: Share ESG expectations, provide templates for disclosures, Conduct supplier assessments or audits



### Align with global frameworks

Align BRSR disclosures with global standards such as GRI or SASB to enhance credibility, comparability, and investor confidence.



### **Embrace digital tools**

Move beyond spreadsheets by using ESG software to automate data collection, track KPIs, and maintain audit trails across operations.



### **Be honest and forward-looking**

If targets are missed, use the “comply or explain” approach to openly disclose gaps and outline corrective actions, reinforcing trust and accountability.

## **Next steps:**

Begin your internal assessment for BRSR requirements today, to ensure you are ready for the inevitable expansion of assurance mandates.



### **Positive impact**

Treating BRSR as a compliance exercise limits its value; used strategically, it becomes a roadmap for operational excellence, risk management, and stakeholder trust. By engaging the value chain, leveraging digital tools, and strengthening board oversight, organizations can build long-term resilience, transparency, and competitiveness beyond mere reporting.



# EcoVadis : A deep dive into the rating framework

## What is EcoVadis?

EcoVadis is a global sustainability rating platform that assesses companies on ESG performance through a standardized scorecard. It helps organizations meet sustainability requirements, improve supply chain transparency, manage risks, win new business, and strengthen brand reputation by demonstrating responsible and credible practices.



## Applicability criteria for EcoVadis

EcoVadis ratings are applicable to companies of all sizes, industries, and countries

## Who can apply for EcoVadis?

- Companies of any size.
- EcoVadis covers 250+ industries.
- The questionnaire is customized based on industry risk.

## The four pillars of EcoVadis

The EcoVadis assessment is structured around four core themes, which collectively provide a holistic view of a company's sustainability management.

### Environment

Energy use and  
GHG emissions

Water management

Waste, pollution control  
and biodiversity protection

Use of sustainable materials  
and supporting KPIs

### Labor & human rights

Employee health and  
safety metrics

Working conditions  
(wages, hours, contracts)

Diversity, inclusion  
and equal opportunity

Prevention of child  
and forced labor

### Ethics

Anti-corruption and bribery  
controls

Fraud prevention and  
ethical conduct

Data privacy and cybersecurity

Anonymous whistleblower  
mechanism

### Sustainable procurement

Sustainable supply chain  
management

Supplier code of conduct

ESG risk assessment of  
high-risk vendors

## How EcoVadis evaluates

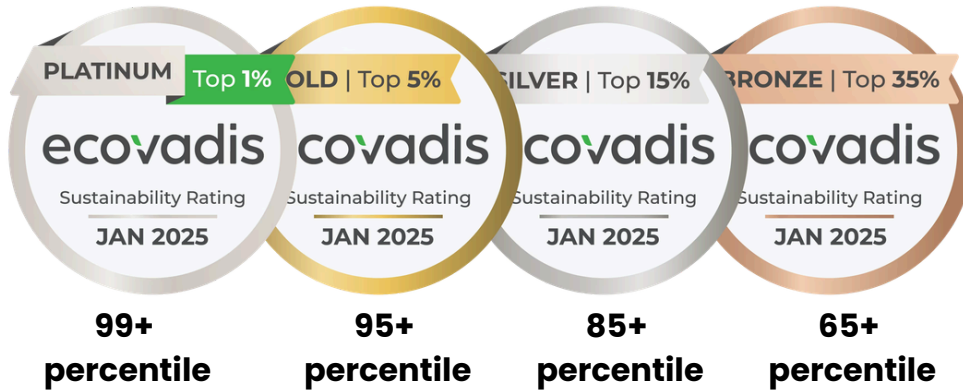
EcoVadis evaluates sustainability maturity across three pillars—Policies, Actions, and Results—assessing what companies commit to, implement, and achieve through KPIs and evidence.

The assessment process is straightforward but requires preparation:



The entire process typically takes 4–8 weeks, and the rating is valid for 12 months, requiring annual reassessment.

## EcoVadis medals



**Note:** To be eligible for a medal, a company must achieve a minimum score of 30 in each of the four themes

## EcoVadis badges

EcoVadis badges are awarded to companies based on certain score requirements:



A minimum score of 45



A score between 34-44 with a minimum 6-point improvement compared to the previous assessment in an 18-month period

## Ready to take the next step?

Start by gathering your social and governance documents. A well-prepared submission is the first step toward unlocking new opportunities and demonstrating your commitment to a better future.



### Positive impact

Pursuing EcoVadis certification enhances your company's credibility with global buyers and investors, opening doors to new contracts and partnerships. It also drives proactive risk management and continuous improvement, positioning your organization as a trusted, responsible leader in an increasingly sustainability-focused marketplace.



# Powering progress – Key amendments to India’s captive generation rules (2026)

The Ministry of Power has notified the Electricity (Amendment) Rules, 2026, bringing greater clarity and flexibility to regulations governing Captive Generating Plants. These changes update Rule 3 of the Electricity Rules, 2005, aligning captive power norms with modern corporate structures and supporting India’s industrial growth and energy transition objectives.

## Key amendments at a glance

### 1. Expanded definition of ownership & captive user:

Ownership now includes a company’s holding entity and subsidiaries, treating group companies as a single captive user. This reflects modern SPV-based structures where power generation and consumption are spread across group entities

### 2. New flexibility for Association of Persons (‘AoP’):

The 51% consumption requirement applies at the group level, and individual users are disqualified only if consumption exceeds 100% of their ownership share. Users holding 26% or more equity can treat their entire consumption as captive.

### 3. New verification mechanism:

Captive status will be verified by a state-designated nodal agency for intra-state projects and by the NLDC for inter-state projects, following central procedures

### 4. Surcharge relief during verification:

Cross-Subsidy and Additional Surcharges will not apply during verification, subject to declaration. If verification fails, surcharges become payable with late payment charges as per 2022 rules.

## Impact of the amendments on industrial users

- 1. Greater clarity and reduced disputes:** Clearer ownership and consumption rules minimize regulatory ambiguity and lower compliance risks with DISCOMs.
- 2. Operational flexibility:** Industries can adjust power drawal throughout the year without jeopardizing captive status.
- 3. Optimized group structures:** Explicit inclusion of subsidiaries, associates, and SPVs allows large corporate groups to efficiently structure and share captive power across multiple units.
- 4. Lower administrative burden:** A uniform annual verification process and simplified beneficial ownership requirements reduce frequent documentation and audits.
- 5. Transparent, uniform process:** Centralized verification by the National Load Dispatch Centre (NLDC) ensures consistency across states.



### Positive impact

The amendments accelerate India's 500 GW non-fossil target by enabling group captive renewable projects through SPVs and simplified ownership rules. By reducing compliance risks and improving bankability, they make it easier for industries to invest in cost-effective solar and wind power, directly supporting large-scale clean energy adoption.

# DID YOU KNOW?

## 1 India hit major COP26 climate targets 5 years early

At COP26, India announced the Panchamrit climate commitments. By 2026, the country has already met major milestones—well ahead of schedule—showing that climate action and economic growth can progress together.

### Panchamrit at a glance

- **500 GW** non-fossil capacity by **2030**
- **50%** power capacity from renewables
- **45% reduction** in emissions intensity (vs. 2005)
- **Net zero by 2070**

### Where India stands today:

- **52.3%** of India's total power capacity is now **non-fossil**
- **~267 GW** renewable capacity installed
- **144 GW solar | 55 GW wind**
- **500+ GW** non-fossil capacity **installed + pipeline** — on track for 2030
- **36% cut** in emissions intensity already achieved (vs. 45% target by 2030)

### What enabled this progress?

- Strong policy push (PM Surya Ghar, PM-KUSUM, Solar Parks)
- Grid readiness via Green Energy Corridors
- Domestic manufacturing and tech innovation

India became the **only G20 country** aligned with the '**well below 2°C**' and aiming for 1.5°C pathway, proving climate action and economic growth can advance together.

# DID YOU KNOW?

## 2 'Net Zero' started long before climate pledges

**Net zero didn't begin with governments—it began with science and buildings.**

Net zero originated in **science and building design**, not government targets. Initially used for **net-zero energy buildings**, it gained scientific grounding in 2005 when researchers showed that **global warming stops only when net CO<sub>2</sub> emissions reach zero**.

### From theory to global policy

This insight shaped the **Paris Agreement (2015)** and the **IPCC's 1.5°C pathway**, calling for **net-zero CO<sub>2</sub> by ~2050**. Crucially, net zero means **deep emission cuts first**, with only residual emissions balanced by removals—not continued pollution offset later.

### What net zero really means

- **Deep emission cuts first**, across energy, transport, industry, and agriculture
- **Only residual emissions** balanced by **carbon removals** (nature-based or technological)
- Not a license to keep polluting now and offset later

### Why it matters

Net zero is not a slogan—it's a scientific threshold that determines whether warming stabilizes or continues.



## Connect with our experts



Supriya  
Bansal

Partner, Global Sustainability, AVA Insights  
 [supriya.bansal@avallp.in](mailto:supriya.bansal@avallp.in)  
 <https://avainsights.in/>



Sarthak  
Taneja

Partner, ESG, MGC Global  
 [sarthak.taneja@mgcglobal.co.in](mailto:sarthak.taneja@mgcglobal.co.in)  
 <https://www.mgcglobal.co.in/>



Meenakshi  
Chauhan

Associate Director, ESG, MGC Global  
 [meenakshi.chauhan@mgcglobal.co.in](mailto:meenakshi.chauhan@mgcglobal.co.in)  
 <https://www.mgcglobal.co.in/>



Nilima  
Ballal

Sr. Sustainability Expert, AVA Insights  
 [nilima.ballal@avainsight.com](mailto:nilima.ballal@avainsight.com)  
 <https://avainsights.in/>



Apeksha  
Charpe

ESG Analyst, AVA Insights  
 [apeksha.charpe@avainsight.com](mailto:apeksha.charpe@avainsight.com)  
 <https://avainsights.in/>